



**JIM PETRO**  
**AUDITOR OF STATE**

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STATE OF OHIO

**YOUNGSTOWN MUNICIPAL COURT**  
**CLERK OF COURT'S OFFICE**  
**PERFORMANCE AUDIT**

OCTOBER 10, 2000



STATE OF OHIO  
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

To Ms. Sarah Brown-Clark (Clerk of Court) and the citizens of the City of Youngstown:

Pursuant to a request by the elected clerk of court, the State Auditor's Office conducted a performance audit of the Youngstown Municipal Court Clerk of Court's office (YMCO). The elected clerk of court recognized a need for a performance audit as a tool to help initiate positive change and to improve the fine collection process as well as enhance the use of technology. This performance audit was also intended to be used as a resource to improve the YMCO's overall operational efficiency and effectiveness of delivering services to the citizens of Youngstown. The State Auditor's Office is pleased to provide the completed performance audit on the YMCO.

The performance audit assessed several key divisions and functions, including the parking ticket office, the criminal and civil divisions, organizational and administrative areas, cash management and technology utilization. These divisions and functions were selected because they represent important components of the YMCO's operations and services. The State Auditor's Office conducted an independent assessment of these divisions and functions with the objective of providing recommendations to the YMCO in areas where the Municipal Clerk's Office can either recognize financial benefits or achieve improvements in operations and service delivery.

An executive summary has been prepared which includes the project history, purpose and objective of the performance audit, a clerk of court overview and a summary of financial implications, findings, commendations and recommendations, as well as the client's response to this audit. The performance audit has been provided to the YMCO and its contents discussed with members of YMCO's management and court personnel. The YMCO has been encouraged to utilize the results of the performance audit as a useful resource in improving its overall operations and service delivery. Additional copies of this report can be requested by calling the Clerk of the Bureau's office at (614) 466-2310 or the toll free number in Columbus, (800) 282-0370. In addition, this performance audit can be accessed on-line through the State Auditor's Office's website at <http://www.auditor.state.oh.us/> by choosing the "Audits Released" option.

Sincerely,

A handwritten signature in black ink, appearing to read "Jim Petro", written over a large, stylized "X" mark.

JIM PETRO  
Auditor of State

October 10, 2000

# **EXECUTIVE SUMMARY**

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## **Project History**

The Clerk of Youngstown Municipal Court (the clerk) is an elected position, serving a term of six years. The clerk functions as an officer of the court, the manager of the court's information and the chief financial officer for all revenues collected on behalf of the court. The clerk's responsibilities involve not only the filing, docketing, indexing, and preserving of all pleadings but also the collecting of all costs, fees and fines for the court.

The current clerk took office on January 1, 2000. Prior to January 2000, the previous clerk served in this capacity for over twenty years. In response to a request from the judges, a comprehensive performance audit was conducted by the Auditor of State's office (AOS) on the Youngstown Municipal Court from October 1998 through January 1999. However, in accordance with the wishes of the previous clerk, the primary focus of the audit was on the operations managed by the judges and bailiffs. The only assessments conducted on the operations of the Youngstown Municipal Clerk of Court's Office (YMCO) dealt with issues concerning the collection of costs, fees and fines owed to the City of Youngstown as well as certain technology issues. Based on this audit, it did not appear that YMCO was collecting all the monies which were owed.

As a result, in an attempt to understand and rectify the deficiencies noted in the previous audit as well as to optimize the operational efficiencies in the other functions of YMCO that were not included in the scope of the previous audit, the current clerk and the City of Youngstown engaged the Auditor of State's office in February 2000, to conduct a comprehensive performance audit on YMCO. Based upon a review of YMCO information and discussions with the clerk, the following areas were selected for assessment in the performance audit:

- Organizational & Administrative
- Cash Management
- Parking Ticket Office
- Criminal Division
- Civil Division
- Technology

Planning for the performance audit began in February 2000, and the actual performance audit was conducted primarily during the months of March 2000 through July 2000.

## **Clerk of Court Overview**

The Youngstown Municipal Court and Clerk's Office are located in the City of Youngstown within Mahoning County. The jurisdiction of YMCO includes the city limits of the City of Youngstown (the City) as explained in the Ohio Revised Code (ORC) § 1901.01 and 1901.02. According to the 1990 census, YMCO serves approximately 95,000 citizens who reside within the jurisdiction of the City of Youngstown.

In 2000, the YMCO is operating on a budget of approximately \$1.4 million. This represents an increase of approximately 30 percent when compared to the 1999 operating budget of approximately \$1.1 million. The increase in budgeted expenditures can be attributed to an increase in staffing of five deputy clerks. As a labor intensive organization, YMCO expends 91 percent of its operating budget to fund payroll and fringe benefit costs.

In total, YMCO had 31 staff members as of June 30, 2000 consisting of three administrators and 28 employees. The majority of the employees in the clerk's office are divided among four primary divisions consisting of bookkeeping, civil, criminal and parking. Based on assessments of staffing ratios in comparison to the peers, it appears that YMCO has higher staffing levels in all four divisions. Some of the higher staffing can be attributed to the lack of utilizing available technology. Once the technology in the four divisions is functional, the clerk should evaluate the staffing levels to see if any operational efficiencies can be attained.

At the start of this engagement, the YMCO did not perform many of the basic human resources functions such as providing its employees with regular evaluations, training and job descriptions. Additionally, YMCO did not have formal record management and retention policies in place to ensure compliance with the standards set forth by the Ohio Supreme Court. Currently, the clerk is devoting two FTEs to the case file microfilming function and is utilizing antiquated microfilming equipment. To create an effective and efficient organization, the clerk should begin performing the human resources functions and investigate other alternatives in case file maintenance such as contracting this function to an outside provider and/or purchasing scanning equipment.

In general, at the start of this engagement, YMCO's internal controls over cash were limited. Specific examples of internal control practices that YMCO should address include allowing many clerks to utilize the same cash drawer, having an override function in the computer system that allows the deputy clerks to generate manual receipts, having the bookkeeping division perform all cash drawer reconciliations and not completing bank reconciliations in a timely manner.

Under current operations, the parking ticket office is under the authority of the bailiff's office. An assessment of the collection procedures within the parking ticket office indicated that minimal efforts have been made since October 1998 to collect amounts owed. As a result, it is estimated that approximately \$505,000 in parking ticket penalties were assessed in 1999 with approximately

\$163,000 or 32 percent being collected. To rectify the low collections, the clerk is encouraged to collaborate with the judges in an effort to expedite the transfer of the parking ticket office to YMCO and to implement the collection procedures noted in this report. Based on the collection rates of the peers, it is estimated that if the clerk implemented the recommendations noted in this report, YMCO could collect a one-time amount of delinquent parking ticket fines of approximately \$340,000 while increasing its ongoing collections by \$78,000 annually.

One of the primary responsibilities of the criminal division is the collection of assessed fines and fees. In the past, YMCO has not established formal collection goals and procedures, nor have they monitored the collection rate. Consequently, YMCO's collection rate for 1999 is estimated to be 15 to 22 percent lower than the peers. There are numerous types of collection methods noted in this report that YMCO has never implemented including issuing block warrants, utilizing a financial affidavit and issuing above-standard tickets similar to the Canton Clerk of Courts. To rectify the low collections in the criminal division, the clerk should establish formal collection goals and procedures, begin monitoring the collection rate on a regular basis and work with the judges to implement the various collection methods and strategies outlined in this report. Based on the collection rates of the peers, it is estimated that if the clerk implemented the recommendations noted in this report, YMCO could collect a one-time amount of delinquent criminal fines and fees of approximately \$476,000 to \$666,000 while increasing its ongoing collections by \$338,000 to \$377,000 annually.

The organizational structure inherited by the current clerk allows civil, small claims and trusteeship to function as separate divisions. This organization structure does not allow for compliance with the Rules of Superintendence in regards to case numbering and it allows for inequitable workload distributions. At the start of the engagement, the civil division used typewriters rather than built-in forms and word processing software. YMCO should consolidate the civil, small claims and trusteeship functions into one division under one supervisor. Additionally, YMCO should take action to better utilize the functionality of the computer system.

In March 1998, the municipal clerk's office and the City of Youngstown Municipal Court (municipal court) entered into a contract with GBS Computer and Communications Inc (GBS). Although the contract was signed in March 1998, there were certain obligations within the contract that GBS had not completed at the start of this engagement. Furthermore, at the start of this engagement, the municipal clerk's office was not fully utilizing certain software applications which had been provided by GBS. Because technology effects all aspects of a municipal clerk's operations, YMCO is encouraged to work with GBS to enforce the contract and take immediate action to incorporate the resulting technology.

During the course of this audit, several meetings were held with the clerk and her chief deputy to provide them with the necessary information to begin implementing the recommendations. As a result, a significant number of the recommendations have been implemented by the clerk, who has

been aggressively trying to improve YMCO's operations. Implementing these recommendations should generate additional revenues as well as reduce operating costs, which should assist the City of Youngstown.

This performance audit provides a series of recommendations with possible cost reductions, revenue enhancements, redirected services, efficiency improvements and operational improvements which the clerk should consider in addressing the efficiency and effectiveness of services provided by YMCO and its employees. Although this performance audit identifies a number of recommendations which could significantly improve YMCO's operations, the audit is not all inclusive and therefore, the clerk is encouraged to continue assessing YMCO's overall operations and to develop and implement other recommendations not contained within this report.

## **Summary Result**

The summary result of the performance audit is contained within pages 1-5 through 1-14. The summary result is followed by overall performance audit information including a definition of performance audits, the objective and methodology of performance audits and peer comparisons of key information.

The performance audit addresses six major areas of YMCO operations. A summary of background information, major findings, major commendations, major recommendations and financial implications is provided for each area. However, a thorough analysis of each of the six areas, including detailed findings and recommendations, is contained within the corresponding section of the report. All interested parties are encouraged to read the entire report.

The results of this performance audit should not be construed as criticisms of YMCO management. Rather, the performance audit should be used as a management tool to improve operations within YMCO.

A table representing a summary of the financial implications of the recommendations is presented on pages 1-15. However, the performance audit also contains a number of recommendations which may not generate estimable cost savings but will result in enhanced service delivery within YMCO operations. If implemented, these recommendations would improve the operational efficiency of the YMCO.

The performance audit is not a financial audit. Therefore, it was not within the scope of this work to conduct a comprehensive and detailed examination of YMCO's fiscal records and past financial transactions. However, copies of the financial audits are available through the Auditor of State's Office.

## **Organizational & Administrative**

**Background:** The Clerk of Youngstown Municipal Court is an elected position, serving a term of six years. The clerk functions as an officer of the court, the manager of the court's information and the chief financial officer for all revenues collected on behalf of the court. The majority of the clerk's employees are divided among four primary divisions consisting of bookkeeping, civil, criminal and parking. In total, YMCO had 31 staff members as of June 30, 2000. During 1999, YMCO processed 6,829 civil cases, 13,584 criminal cases, 11,268 parking tickets and approximately \$2.5 million was accounted for in the bookkeeping department.

**Findings:** In 1997, the Supreme Court of Ohio replaced the existing rules for municipal courts by adopting new rules. Because YMCO has not updated their local Rules of Practice since 1991, the new rules adopted by the Supreme Court are not included in YMCO's local Rules of Practice. The local Rules of Practice establish the decorum of the court, the duties of the court, conduct, operations and how the court functions in handling civil, criminal, parking and traffic matters. Without having regularly updated local Rules of Practice, YMCO cannot function in an efficient manner.

Historical practices for wage increases and promotions were not documented. According to employees, they have not historically received promotions or wage increases based on performance evaluations. Rather, raises were given based on the subjective discretion of the prior clerk.

YMCO has no records management and retention policies in place to ensure compliance with the minimum standards for the production, maintenance, preservation and destruction of records within the court. Additionally, YMCO employs two deputy clerks who are responsible for microfilming all case file records. The microfilming equipment utilized by the deputy clerks was donated six years ago and is approximately twenty years old. Currently, the record's deputy clerks are behind and are still microfilming case file records from 1993. Each of the peers either utilize scanning/imaging equipment or an electronic medium (CD Rom) to allow for easy storage and retrieval of case file information. Because of the storage and retrieval equipment utilized, none of the peers dedicate full-time staff members to records management functions.

Other significant findings include the following:

- YMCO does not have a strategic plan
- There were no formal job descriptions for employees at the start of this engagement
- The prior clerk did not provide or maintain personnel files
- There were no employee policy and procedure manuals at the start of this engagement
- Employees have received minimal training opportunities
- YMCO has no security plans in place to ensure the safety of the employees

**Recommendations:** The clerk should work with the administrative judge in an effort to update the local Rules of Practice. This would help improve the efficiency of YMCO as well as the communications between the clerk's office and the individuals who use their services.

YMCO should implement performance evaluations and use these as a management tool. Generally, the evaluations should be conducted at three-month and six-month intervals for newly hired or promoted employees. All other employees should be evaluated on a yearly basis.

Based on the significant cost and time considerations associated with using two staff members and antiquated equipment to eliminate the backlog of cases to be microfilmed, YMCO should consider contracting with an outside company to eliminate the backlog as well as purchase and implement the use of scanning equipment to stay current. Additionally, YMCO should adopt a formal records retention policy to ensure compliance with the minimum standards for the production, maintenance, preservation and destruction of records within the court.

Other significant recommendations include the following:

- YMCO should develop and implement a strategic plan
- Develop formal job descriptions for employees
- Maintain personnel files for all employees
- Create a detailed policy manual indicating the rules and conditions of employment for the YMCO employees
- Conduct an employee training need's assessment
- Develop a written security policy and procedures plan

**Financial Implications:** It is estimated that the implementation of the recommendations in this section would provide an annual cost savings of \$70,000 with one-time implementation costs of \$70,680.

## **Cash Management**

**Background:** The bookkeeping division of the municipal clerk's office handles all of the cash management functions except for the cash receipts. The criminal/traffic division and civil division within the municipal clerk's office and the parking division in the City of Youngstown Bailiff's Office are responsible for the daily cash receipt functions. Cash receipts for the municipal clerk's office have increased steadily from calendar year 1997 to calendar year 1999.

**Findings:** Staffing levels in the bookkeeping division are higher than the staffing levels of the peer municipal clerk offices. In addition, the average dollars accounted for per bookkeeping division employee is approximately \$696,000 less than the peer average. The municipal clerk's office has a policy which allows for the receipting of monies by the use of credit card; however, at the start of this



engagement, the municipal clerk's office had not implemented this function into its daily operations. In the past, cash drawers were not assigned to specific clerks. As a result, many clerks utilized the same cash drawer. Additionally, there were no security procedures over the cash drawers.

The chief bookkeeper was the only individual responsible for balancing the cash drawers. Furthermore, the cash drawers were balanced to the duplicate receipts rather than the daily reports which are available from the GBS software. The chief bookkeeper is not required to sign monthly bank reconciliations as evidence of completion and accuracy.

Other significant findings include the following:

- Until recently, YMCO had not historically evaluated the banking services it received
- The GBS system has an override function on the automatic numbering system of receipts
- Certain monies within YMCO are not deposited on a daily basis
- YMCO does not have an investment policy
- Checks are not maintained in a secure environment

**Commendations:** The separation of cash management duties within the municipal clerk's office creates a segregation of duties between the cash receipts, record keeping, deposits and monthly cash disbursements. The reconciliation procedures in the parking ticket office allow for a proper segregation of duties between the cash collections and depositing.

**Recommendations:** YMCO should consider assigning additional duties to the staff in the bookkeeping division. The municipal clerk's office should include in its collection process the ability for individuals to make payments utilizing credit cards. In order to further strengthen controls over cash management, the municipal clerk's office should assign specific people to receive monies, assign cash drawers for each person receiving monies and utilize locks on the cash drawers when left unattended.

YMCO should redesign its reconciliation procedures to increase controls over cash reconciliations and bank deposits. In addition, the municipal clerk's office should perform daily reconciliations to the daily reports generated by the computer system to increase the accountability over the cash collections. Furthermore, the chief bookkeeper should be required to sign all monthly bank reconciliations as evidence of completion and accuracy.

Other significant recommendations include the following:

- Develop policies and procedures for the regular review and procurement of banking services
- Remove the override function on the automatic numbering system of receipts
- Implement controls to ensure all monies are deposited on a daily basis
- Develop and implement a formal investment policy

- Implement procedures and controls over the checks in YMCO's possession
- Utilize all available technological resources in order to enhance internal controls over cash management functions

**Financial Implications:** It is estimated that the implementation of these recommendations will result in additional annual revenue between approximately \$2,200 and \$3,300 annually.

### **Parking Ticket Office**

**Background:** The current parking ticket office operation falls under the direction of the Youngstown Municipal Courts' bailiff's office. The authority granting responsibility for the parking ticket office to the bailiff's office is recorded in journal entry case number 136910, January 11, 1952. On October 22, 1999, court journal entry number 42 transferred the parking ticket office to the Youngstown Municipal Clerk of Court's Office (YMCO) effective November 1, 1999. However, as of July 2000, the parking ticket office remains the bailiff's responsibility. The transfer of the parking ticket office to the YMCO falls within Ohio Revised Code (ORC) § 1901.31(3)(F) which states in part the clerk of a municipal court shall receive, collect and issue receipts for all costs, fees, fines bail and other monies payable to the office or any officer of the court. Traffic tickets are not handled by the parking ticket office because they involve driver's licenses and, therefore, fall under the criminal division. Unless otherwise indicated, the parking ticket office discussion in this section pertains to 1999 operations within the Youngstown Municipal Court's bailiff's office.

**Findings:** According to the clerk, the full conveyance of the responsibility for the parking ticket office to the YMCO will not happen until all of the parking ticket operations can be transferred. This includes the construction of a parking ticket office within YMCO's facilities, complete training on the parking ticket office operations and the certification of a deputy clerk for the use of the Law Enforcement Automated Data System (LEADS) machine. Based on the proposed staffing levels (two FTEs), the parking ticket office has a higher personnel cost per parking ticket collected (\$4.14) than the peer average (\$1.82). The YMCO does not have any written policies and procedures for the operation of a parking ticket office. In addition, there are no job descriptions or evaluations for deputy clerks assigned to work in the parking ticket office.

Currently, the parking ticket office is maintaining its status quo on daily operations, but has an estimated backlog of uncollected parking tickets of approximately \$700,000 to \$1.0 million. Because the parking ticket office discontinued its procedures for the collection of past-due parking tickets in October 1998, it is estimated that \$342,000 in unpaid parking tickets and warrants are outstanding for 1999. The parking ticket office does not have formal collection procedures that are followed when attempting to collect on delinquent parking ticket fines. Additionally, the parking ticket office has not utilized other collection techniques such as the compact procedures program and issuing block warrants.

Other significant findings include the following:

- Parking ticket collection rates are not monitored
- Parking ticket fines collected are entered into a computer and a manual ledger book
- Credit cards are not accepted as a payment method for parking tickets fines
- Past-due parking ticket collections by an outside service are not being bid
- The GBS computer system is not utilized to its full potential

**Commendation:** The parking ticket office's daily procedure of using a worksheet to balance and transfer parking ticket payments is a sound practice. The use of a self-addressed payment envelope for the mail-in of parking ticket fines provides the violator with an easy and accessible method to pay their fine. The procedures for judges or magistrates to dismiss parking tickets is effective based on the number of dismissals per month. This procedure prevents the parking ticket office from dismissing parking tickets at will.

**Recommendations:** YMCO should take all necessary steps to expedite the transfer of the parking ticket office. This would include: space renovation, personnel training and LEADS certification for a deputy clerk. The benefits of transferring of the parking ticket office include, but are not limited to, enhanced revenue collections and efficiencies in staffing and operations. Based on comparisons to the peers, it appears that YMCO should be able to operate the parking ticket office with one deputy clerk. In addition, in order to operate a more effective and efficient office, YMCO should create formal policies and job descriptions as well as conduct evaluations on a regular basis.

YMCO should consider adopting a formal collections process to enhance the collection of delinquent parking ticket fines. Furthermore, the YMCO should consider utilizing other collection techniques such as the compact procedures program and issuing block warrants. By utilizing these techniques, not only should the collections improve, but the number of parking ordinance violations should also decrease.

Other significant recommendations include the following:

- Monitor and track the collection rates
- Discontinue the use of the manual ledger book
- Allow for the use of credit/debit machines
- Submit the contract for an external collection agency to competitive bidding
- Utilize technology to establish a more cost effective and efficient office

**Financial Implications:** It is estimated that the recommendations in this section would provide an ongoing increase of approximately \$78,000 in collections and a one-time increase in collections of \$340,000. In addition, the YMCO could achieve an annual cost savings of \$1,410 with a potential cost avoidance of \$33,865.

## **Criminal Division**

**Background:** The criminal division is responsible for maintaining case files and handling the payments of fines and fees for all criminal and traffic cases for the YMCO. The jurisdiction of YMCO includes the city limits of the City of Youngstown as explained in the Ohio Revised Code (ORC) § 1901.01 and 1901.02. The criminal division is budgeted for 11 FTEs. All of the employees have the title of deputy clerk. However, job positions and responsibilities can be broken down into different functions, such as supervisor, counter clerk, traffic clerk and night clerk. Total fines and costs collected totaled an estimated \$776,000 in 1999.

**Findings:** The YMCO processed a lower number of total cases per 10,000 population served (1,429) than the peer average (1,799) in 1999. With a lower amount of tickets and fines being issued, a clerk of court's office will consequently have a lower amount of assessments on which to collect. In the past, the YMCO did not ensure that data was inputted consistently or correctly. As a result, the YMCO was unable to provide an accurate and reliable figure for total costs and fines assessed in 1999. Since an accurate and reliable assessment rate could not be provided, the YMCO's total fines and costs assessed were estimated to determine their overall collection rate in 1999, which was 15 to 22 percent lower than the peer average.

A study by the National Center for State Courts for the Mansfield, Ohio Municipal Court released in 1992 revealed that a more aggressive collection method leads to a higher collection rate. In addition, the use of a financial affidavit to assess a defendant's ability to pay proved to be an effective collection method. Although the criminal division historically has not employed an internal collections officer to implement any type of collection method, they have used a contract with a local attorney's office to collect on delinquent monies. Due to the criminal division employees' perceived ineffectiveness of the attorney's collection efforts, new cases have not been sent to the attorney's office since June 1997.

There are numerous types of collection methods that the criminal division of the YMCO has never implemented. These include issuing block warrants, utilizing a financial affidavit, issuing above-standard tickets similar to the Canton Clerk of Courts, and providing and endorsing the use of credit card swipe machines in State Highway Patrol vehicles. The YMCO does utilize the Compact Procedures program to collect payment of fines from out of state offenders, but does not document the frequency of its use. Although community service has proven to be an effective sanction in criminal cases and is offered as a payment option in the YMCO, the criminal division does not know how often community service is granted because it had not been tracked in the past.

The criminal division processes a lower number of cases per staff member (1,509) and has a higher cost per case (\$24.19) when compared to the peer averages (2,067 cases per staff member and \$17.97 per case). These ratios are the result of the past practice of not utilizing available technology. The criminal division at the YMCO operates all day, every day, with three night staff. The peer clerk

offices operate only during the weekdays and do not employ night staff. The criminal division is lacking a standard uniform work schedule and a formal policy manual, both of which have the potential to benefit both staff and management.

**Recommendations:** All of the organizations in the City involved in the criminal/traffic system should work together to ensure that the information associated with the collection of fines and costs, such as the issuance of tickets, is accurate and reliable. The criminal division should begin to monitor and track the collection rate and all of the employees should be trained on the computer system to ensure that data is entered correctly and in a timely fashion. By doing this, the YMCO will be able to produce accurate reports that will allow them to assess the division's overall success in collecting fines and costs.

The criminal division should assign one deputy clerk to be responsible for collecting criminal and traffic fines by using the successful collection method indicated by the Mansfield study and working with the local attorney's office on all previous cases that have been sent to the office. The criminal division should utilize all of the effective collection methods available, such as issuing block warrants, implementing a financial affidavit process, issuing traffic tickets similar to Canton's and providing and endorsing the use of credit card swipe machines in State Highway Patrol vehicles.

Other significant recommendations include the following:

- Utilize an "acknowledgment form" similar to Lima's to ensure the bond monies are applied to court costs and fines
- Utilize all of the available technological resources, such as using the computer to print checks and entering bond information in the computer
- Document the use of the Compact Procedures program and community service
- Transfer the night staff to the day shift and implement a standard uniform work schedule
- Develop a policy manual

**Financial Implications:** It is estimated that the recommendations in this section would provide an ongoing increase of \$338,000 to \$377,000 in collections and a one-time increase in collections of \$476,000 to \$666,000. In addition, the YMCO could save between \$36,515 to \$73,030 in potential staff reductions.

## **Civil Division**

**Background:** The civil division is responsible for handling all civil cases for the YMCO. Civil cases include personal injury, property damages, contracts, forcible entry, other civil cases, small claims and trusteeship actions. When the current clerk took office in January 2000, she inherited an organization structure that considered civil, small claims and trusteeship to be separate divisions. The civil, small claims and trusteeship divisions were staffed with 10.85 FTEs in 1999. When the current clerk

assumed office, she reduced staffing in the small claims division and as a result, the current staffing levels for the civil, small claims and trusteeship divisions total 8.85 FTEs. In 1999, the civil, small claims and trusteeship divisions processed a total of 6,829 cases, an increase of 2.5 percent from the previous year's total of 6,661.

**Findings:** The organizational structure inherited by the current clerk allows civil, small claims and trusteeship to function as separate divisions. This organization structure does not allow for compliance with the rules of superintendence in regards to case numbering and it fosters inefficiencies such as low employee productivity and inequitable workload distributions. The organizational structure of the peers establishes a civil supervisor who is responsible for the day-to-day operations of all civil matters including landlord/tenant, small claims and trusteeship.

In 2000, YMCO is operating the civil division using 8.85 FTEs. When this staffing figure is applied to the caseload (6,829) in 1999, the number of cases per staff member is 772. Additionally, using the total salaries and benefits of \$308,276 for 2000, the cost per case filed is \$399. Both of these ratios are inefficient in comparison to the peer averages (1,107 cases per employee and \$207 to process a case) and indicate that staffing reductions may be possible.

At the start of the engagement, the civil division's use of technology was deficient. Specifically, the civil division used typewriters rather than built-in forms and word processing software. In addition, the Daily Legal News and all payments to creditors were prepared manually. This lack of technology is one of the major factors contributing to the high staffing ratios noted above.

**Recommendations:** The clerk should consider consolidating the civil, small claims and trusteeship functions into one division under one supervisor. One possible organization structure could include the administrative assistant being responsible for the overall management of the division. The civil supervisor should report to the administrative assistant and should be responsible for the daily management of the civil division employees.

YMCO should take steps to better utilize the full functionality of the computer system. The clerk should work with GBS Computer and Communications, Inc.(GBS) to ensure that the employees are properly trained on the existing technology. In addition, sufficient time and resources should be allocated to allow those knowledgeable about the system to operationalize features such as computer generated summons, motions, writs of restitution, the Daily Legal News publication, labels and checks.

Once the technology has been implemented into the civil division's operations and YMCO reorganizes the civil division as noted above, the clerk should conduct an analysis of the staffing levels in the civil division. Based on the staffing ratios, it appears that YMCO could potentially reduce one to two staff members in the civil division.

**Financial Implications:** It is estimated that the recommendations in this section would provide an annual cost savings ranging between \$34,833 and \$69,667.

## ***Technology***

**Background:** After receiving pressure from the Ohio Supreme Court to computerize the operations of the municipal clerk's office and the municipal court, the judges and clerk of court of the City of Youngstown entered into a contract with GBS Computer and Communication Systems, Inc. (GBS). The purpose of this contract was to computerize the operations of the two offices in an effort to gain operational efficiencies. YMCO does not have a separate department responsible for technology implementation and management.

**Findings:** Since the signing of the contract in March 1998, GBS and the municipal clerk's office have had a strenuous relationship. Consequently, as a result of this relationship and other factors, certain software applications are non-functional, training requirements have not been met and certain items of equipment do not conform to the requirements of the contract. Furthermore, there are many software applications which have been provided to the municipal clerk's office which have not been implemented into its daily operations including the following: Just Ask report generator, "sign-in/sign-out" case monitoring, bond receipting and disbursing functions, "shortcut" command function and legal news report generator.

At the start of this engagement, YMCO did not have a systems administrator dedicated specifically to the technology functions of the municipal clerk's office. In addition, YMCO did not have a job description for the systems administrator position, a long-term strategic plan, a disaster recovery plan or a comprehensive computer usage policy for its employees. Ohio Revised Code (ORC) §1901.261(B)(1) allows for the implementation of an additional fee for the computerization of the municipal clerk operations. However, to implement this fee, the clerk must receive approval from the judges. In the past, YMCO has not assessed this fee.

**Recommendations:** YMCO should continue to enforce the GBS contract and take immediate action to incorporate all technology capabilities into its daily operations. In addition, the municipal clerk's office should implement monitoring procedures to ensure compliance with the contract and should work with GBS to ensure that all problems are addressed in a timely and efficient manner.

The municipal clerk's office should hire a systems administrator to aid in the completion of the GBS contract as well as the implementation of technology within the municipal clerk's office. YMCO should also develop a long-term strategic plan and a disaster recovery plan in order to adequately plan for the future technology needs within the municipal clerk's office. In addition, to adequately plan and fund future technology related expenditures, the municipal clerk's office should implement the computerization fee allowed under ORC §1901.261(B)(1).

Other significant recommendations include the following:

- Developing a job description for the systems administrator position
- Creating a comprehensive computer usage policy
- Developing a comprehensive listing of all software, software licenses, documentation and warranties
- Creating and implementing policies and procedures for maintaining an up-to-date inventory system.
- Developing and implementing policies and procedures for the review and acceptance of services or products received.

**Financial Implications:** It is estimated that the implementation of these recommendations will result in additional annual revenue of \$56,650 to \$79,310 and annual implementation costs of approximately \$53,000 to \$73,000. In addition, the municipal clerk's office could incur additional costs in order to maintain and upgrade YMCO's hardware and software applications as well as to implement other technology capabilities, such as the Internet.



**Summary of Financial Implications**

The following table summarizes the performance audit recommendations which contain financial implications. Certain of the recommendations are dependent on approval from the judges. Detailed information concerning the financial implications, including assumptions, is contained within the individual sections of the performance audit report.

<b>Estimated Revenue Enhancements, Cost Savings and Cost Avoidance</b>					
<b>Ref. No.</b>	<b>Recommendations From All Sections</b>	<b>One-time Revenue Recovery</b>	<b>Annual Revenue Enhancements</b>	<b>Annual Cost Savings</b>	<b>Implementation Cost</b>
<b>R2.11</b>	Adopting the options for case file management			\$70,000	\$70,000 (one-time)
<b>R2.15</b>	Purchase eight panic buttons				\$680 (one-time)
<b>R3.15</b>	Investing in interest bearing accounts		\$2,200 - \$3,300		
<b>R4.3</b>	Implement a formal collection process for past-due and ongoing parking tickets	\$340,000	\$78,000		
<b>R4.11</b>	Utilizing the Bailiff's LEADS Machine			\$1,410	
<b>R4.13</b>	Maintain current staffing level rather than hiring additional deputy clerk			\$33,865	
<b>R5.2</b>	Implement a formal collection process for past-due and ongoing criminal fines and fees	\$476,000 - \$666,000	\$338,000 - \$377,000		
<b>R5.16</b>	Reduce criminal division staffing to peers			\$36,515 - \$73,030	
<b>R6.3</b>	Reduce civil division staffing to peers			\$34,833 - \$69,667	
<b>R7.13</b>	Hire a full-time systems administrator				\$53,088 - \$73,320 (annually)
<b>R7.15</b>	Implement the clerk of court computerization fee		\$56,650 - \$79,310		
	<b>Total Range</b>	<b>\$816,000 - \$1,006,000</b>	<b>\$474,850 - \$537,610</b>	<b>\$176,623 - \$247,972</b>	<b>\$70,680 (one-time) \$53,088 - \$73,320 (Annually)</b>

The financial implications summarized above are presented on an individual basis for each recommendation. The magnitude of cost savings associated with some recommendations could be affected or offset by the implementation of other interrelated recommendations. Therefore, the actual cost savings, when compared to estimated cost savings, could vary depending on the implementation of the various recommendations.

## **Client's Response**

Because of the clerk's desire to initiate change immediately, several meetings were held with the clerk of court and her chief deputy in an effort to keep them informed as to the status of the audit and to provide them with the information necessary to begin implementing various recommendations. As a result of these meetings, the clerk of court has taken action to implement a significant number of the recommendations contained in this report. The recommendations which the clerk has taken action to implement include the following:

### ***Organizational & Administrative***

- Meeting with the judges in an effort to update the local Rules of Practice **(R2.1)**
- Developing a formal organization structure **(R2.2)**
- Developing formal job descriptions, implementing personnel files and conducting regular evaluations for employees **(R2.4, R2.5, R2.7)**
- Reallocating funds to train employees **(R2.8)**
- Working with the judges in an effort to adopt a formal records retention policy **(R2.10)**
- Establishing a storage area to safeguard case files **(R2.12)**
- Contracting with an outside agency to provide for the removal and destruction of old case files **(R2.13)**
- Implementing a sign-in/sign-out system to track case file users **(R2.14)**

### ***Cash Management***

- Implementing the ability to receive credit card payments **(R3.4)**
- Assigning cash drawers to deputy clerks who are responsible for customer assistance **(R3.5)**
- Removing the override function on the automatic numbering system of generating receipts **(R3.7)**
- Reconciling cash drawers to the daily reports generated by the GBS system **(R3.9)**
- Implementing procedures for signing all bank reconciliations **(R3.12)**
- Requiring the bookkeeper to submit copies of bank deposit receipts to the chief deputy and clerk of court **(R3.13)**
- Negotiating with the financial institution to receive enhanced services **(R3.15)**

***Parking Ticket Office***

- Proposing different methods to collect on delinquent parking tickets to the judges for approval **(R4.3)**
- Hiring a deputy clerk who is LEADS certified **(R4.11)**

***Criminal Division***

- Employing a financial collections officer and applying for a grant to hire a traffic collections officer **(R5.5)**
- Implementing the use of the financial affidavit when determining the offender's ability to pay the assessed fine **(R5.9)**
- Taking steps to begin to track community service hours **(R5.10)**
- Implementing the use of the acknowledgment form for third party bonds **(R5.13)**
- Establishing a procedure to be implemented after judicial approval for recovering outstanding fines and costs from third party bonds **(R5.14)**
- Developing and implementing a standard uniform work schedule for the employees **(R5.17)**
- Developing a policy to deal with cash drawer shortages **(R5.19)**

***Civil Division***

- Contracting with GBS to computerize various functions **(R6.2)**
- Instituting a cut-off date, at which time all civil cases will be filed under one system in accordance with the Rules of Superintendence **(R6.5)**
- Working with the judges to update the costs and fees schedule **(R6.7)**

***Technology***

- Implementing modules provided by GBS including "Just Ask" report generator, "sign-in/sign-out" case monitoring, open items reporting capabilities and legal news report generator **(R7.2, R7.4, R7.6, R7.8)**
- Developing a working relationship with GBS in order to complete the contract in a timely and efficient manner. **(R7.10, R7.11)**
- Establishing tentative dates for training staff on use of computers **(R7.12)**
- Hiring a full-time systems administrator **(R7.13)**
- Developing a job description for the systems administrator position **(R7.14)**

The current clerk is commended for the number of recommendations she has taken action to implement during this performance audit. Implementing these recommendations should improve the efficiency and effectiveness of the services YMCO is providing to its citizens. Additionally, by

implementing certain recommendations, the clerk should be able to generate significant revenues, which should assist the City of Youngstown with its current financial situation.

## **Objectives and Scope**

A performance audit is defined as a systematic and objective assessment of the performance of an organization, program, function or activity to develop findings, conclusions and recommendations. Performance audits are usually classified as either economy and efficiency audits or program audits.

Economy and efficiency audits consider whether an entity is using its resources efficiently and effectively. They attempt to determine if management is maximizing output for a given amount of input. If the entity is efficient, it is assumed that it will accomplish its goals with a minimum of resources and with the fewest negative consequences.

Program audits normally are designed to determine if the entity's activities or programs are effective, if they are reaching their goals and if the goals are proper, suitable or relevant. Program audits often focus on the relationship of the program goals with the actual program outputs or outcomes. Program audits attempt to determine if the actual outputs match, exceed or fall short of the intended outputs. This audit was primarily designed as an economy and efficiency audit.

The Auditor of State's Office has designed this performance audit with the objective of reviewing systems, organizational structures, finances and operating procedures to develop recommendations for reducing operating costs, increasing revenues or improving efficiency. Specific objectives of this performance audit are the following:

- Identify opportunities for improving YMCO's effectiveness, responsiveness and quality of service delivery which is cost beneficial
- Identify opportunities for improving YMCO's procedures, work methods and capital asset utilization which should result in higher quality and/or reduced costs
- Determine if the YMCO's current organization structure is flexible and effectively structured to meet future demands
- Evaluate financial policies and procedures and provide recommendations for enhanced collections or expenditure reductions
- Assure administrative activities are performed efficiently and effectively without unnecessary duplication

The performance audit on YMCO covers the following areas of operation:

- Organizational & Administrative
- Cash Management
- Parking Ticket Office

- Criminal Division
- Civil Division
- Technology

These particular areas were selected pursuant to discussions with the clerk of court. Within YMCO's operations, these areas are important to assess because they typically are major cost centers and have the potential to create an operational risk.

## **Methodology**

To complete the performance audit, the auditors gathered and assessed a significant amount of data pertaining to YMCO, conducted interviews with various groups associated with YMCO and conducted interviews and assessed information from the peer municipal clerk's offices along with another nearby municipal clerk's office. The methodology is further explained below.

### **Studies, reports and other data sources**

In assessing the various performance audit areas, YMCO was asked to provide any previous studies or analyses already prepared on the subject areas. In addition to assessing this information, the auditors spent a significant amount of time gathering and assessing other pertinent documents or information. Examples of the studies, reports and other data sources which were studied include the following:

- The Ohio Supreme Courts Summary
- Financial and budgetary reports
- Assessment and collection information
- Annual reports submitted to the Ohio Supreme Court
- Organizational charts and position descriptions
- Various journal entries issued by the judges
- A delinquent collections study issued on the Mansfield Municipal Court
- Numerous reports generated by the peers
- The Ohio Supreme Court's Rules of Superintendence
- Various policies and procedures manuals
- Ohio Revised Code and Ohio Administrative Code

### **Interviews, Discussions and Surveys**

Numerous interviews and discussions were held with many levels and groups of individuals involved internally and externally with YMCO. These interviews were invaluable in developing an overall understanding of clerk of court operations and, in some cases, were useful sources in identifying concerns with YMCO's operations and in providing recommendations to address these concerns.

Examples of the organizations and individuals that were interviewed include the following:

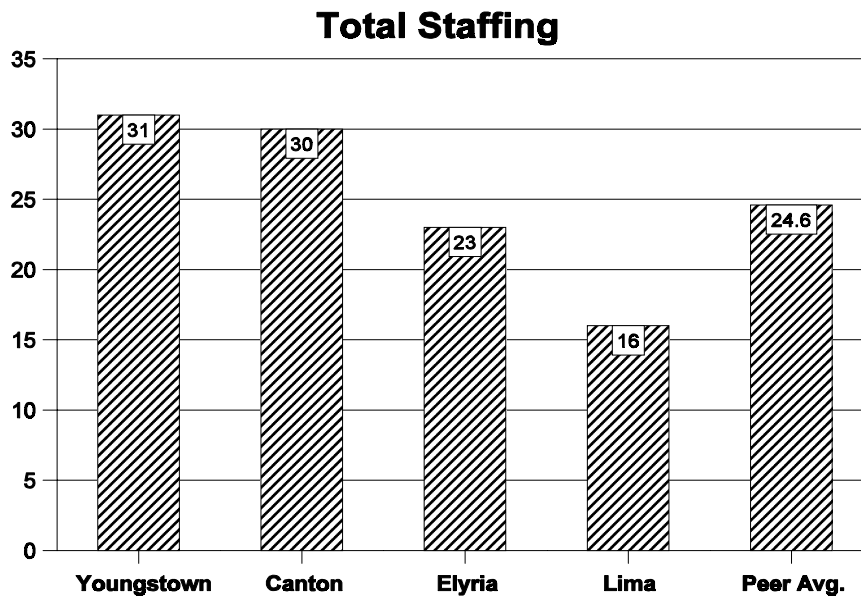
- Administrators and support staff
- The Ohio Supreme Court
- Representatives from GBS Communications Inc.
- The Canton Municipal Clerk of Court
- The Cuyahoga Falls Municipal Clerk of Court
- The Elyria Municipal Clerk of Court
- The Lima Municipal Clerk of Court

### **Benchmark Comparisons with Other Clerk's Offices**

Three other municipal clerk's offices, Canton, Elyria and Lima, were selected to provide benchmark comparisons with YMCO. Additionally, for certain analyses, the municipal clerk's office at Cuyahoga Falls was also used for benchmark comparison purposes. Performance indicators were established for the various performance audit areas to develop a mechanism for determining how effectively and efficiently YMCO is providing necessary functions. The information was gathered primarily through information contained within the Ohio Courts Summary and information provided by the selected peers named above.

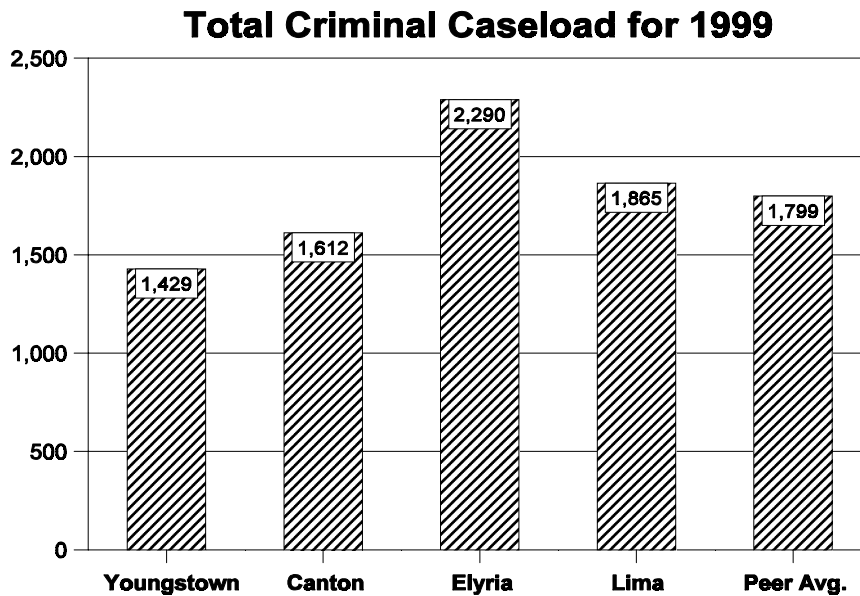
YMCO's staffing totaled 31 employees as of June 30, 2000. This is the highest among the peers and approximately 26 percent higher than the peer average. Specific areas where YMCO maintains higher staffing levels than the peers are in the civil division, the bookkeeping division and the records retention function.

Total Staffing as of June 30, 2000					
	Youngstown	Canton	Elyria	Lima	Peer Average
Administrators	3	4	4	1	3
Criminal Division	12	12	11	8	10
Civil Division	9	11	5	4.5	6.8
Bookkeeping Division	3	1	2	2	1.7
MIS	2	2	2	1.5	1.8
Records Retention	2	0	0	0	1.3
<b>Total</b>	<b>31</b>	<b>30</b>	<b>24</b>	<b>17</b>	<b>24.6</b>



In total, YMCO's criminal caseload per 10,000 population served was the lowest among the peers and approximately 26 percent lower than the peer average in 1999. However, an analysis of the specific offense categories indicates that YMCO was higher than the peer averages in the number of felonies and misdemeanor cases in 1999. In contrast, YMCO was significantly lower than the peer averages in OMVI and traffic cases per 10,000 population served.

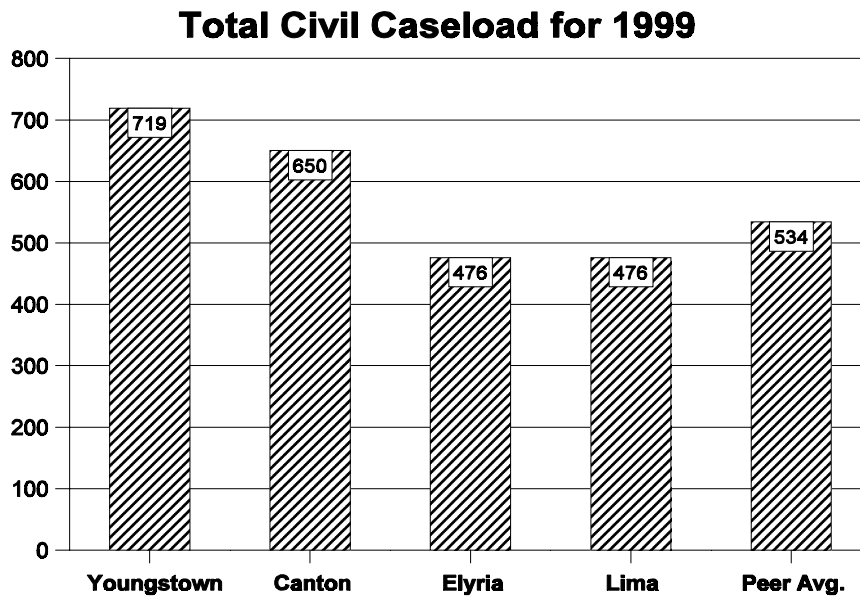
Criminal Caseload Breakdown per 10,000 Population Served in 1999					
Case Type	Youngstown	Canton	Elyria	Lima	Peer Average
Felony	112	88	100	29	82
Misdemeanor	540	295	421	359	404
OMVI	44	79	149	107	95
Traffic	733	1,150	1,620	1,370	1,218
<b>Total</b>	<b>1,429</b>	<b>1,612</b>	<b>2,290</b>	<b>1,865</b>	<b>1,799</b>





In 1999, YMCO's total civil caseload was the highest among the individual peers and approximately 35 percent higher than the peer average. With the exception of small claims, YMCO equaled or exceeded the peer average in each type of civil case.

Civil Caseload Breakdown per 10,000 Population Served in 1999					
Case Type	Youngstown	Canton	Elyria	Lima	Peer Average
Damages	23	26	29	17	24
Contract	387	316	155	285	252
Forcible Entry	189	136	128	100	121
Small Claims	102	166	157	63	129
Other	17	5	7	11	8
<b>Total</b>	<b>719</b>	<b>650</b>	<b>476</b>	<b>476</b>	<b>534</b>



In general, the number and types of cases a court will process is determined in part, by the economic factors in the area served by the court. Based on the 1990 census, the unemployment rate for the City of Youngstown was 6.2 percent, which was the highest among the peers and higher than the state average. Additionally, in 1998, the median income for the City of Youngstown was \$17,628, which was the lowest among the peers and approximately 43 percent lower than the state average.

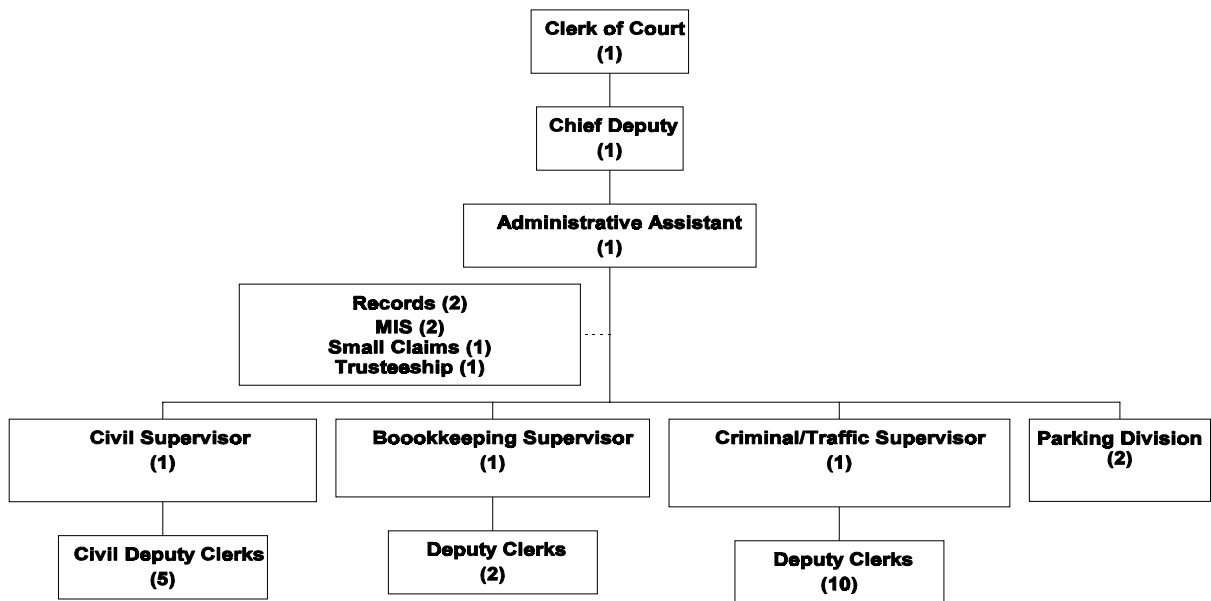
<b>Various Demographic Statistics</b>						
	<b>Youngstown</b>	<b>Canton</b>	<b>Elyria</b>	<b>Lima</b>	<b>Peer Average</b>	<b>State Average</b>
<b>Population Served - 1990 Census</b>	95,000	192,569	94,873	109,755	123,049	N/A
<b>Unemployment Rate - 1998</b>	6.2%	4.1%	5.0%	4.9%	5.1%	4.3%
<b>Median Income - 1998</b>	\$17,628	\$18,855	\$24,546	\$18,855	\$19,971	\$25,239

# Organizational & Administrative

## Background

This section summarizes the performance review for the Youngstown Municipal Clerk of Court's Office (YMCO). Comparisons are made throughout the report with the peer clerks of court for Canton, Elyria and Lima, Ohio, to illustrate various operational issues. The following chart shows the current organizational structure and staffing levels of the YMCO operations as of June 30, 2000.

**Chart 2-1: Organizational Chart**



**Note:** YMCO has six employees dedicated to records retention, MIS, small claims and trusteehip that report directly to the administrative assistant rather than the division supervisors.

### *Organizational Function*

The Clerk of Youngstown Municipal Court is an elected position, serving a term of six years. The clerk functions as an officer of the court, the manager of the court's information and the chief financial officer for all revenues collected on behalf of the court. The principal duties of the clerk's office are to keep journals, records, books and papers pertaining to the court. The clerk's responsibilities involve not only the filing, docketing, indexing, preserving of all pleadings but the collecting of all costs, fees and fines for the court.

The clerk also performs various administrative duties including overseeing a staff of 30 employees, developing and managing an operating budget of approximately \$1.4 million, approving court related expenditures, preparing Ohio Supreme Court reports and preparing indigent offenders' attorney billings.

The current clerk of court took office on January 1, 2000, and is responsible for the hiring, evaluating, promoting and terminating employees for the municipal clerk's office. All employees of the YMCO are classified as either deputy clerks or administrative deputy clerks. The employees work for the YMCO at the will of the clerk. However, the salaries for the staff are recommended by YMCO and approved by the City of Youngstown Compensation Board through ordinances by city council.

### *Summary of Operations*

The clerk's office provides clerical assistance to the court for all proceedings. During the calendar year 1999, the court processed 6,829 civil and 13,584 criminal cases. Additionally, the clerk's office provides the general public with services mandated by the State, including administering oaths to elected and appointed officials, the processing of trusteeships and garnishments and the issuing service of process on law.

The majority of employees in the clerk's office are divided into four primary divisions consisting of bookkeeping, civil, criminal and parking. The bookkeeping division is responsible for ensuring the monies collected each day agrees with the amount posted to the computer system, preparing bank deposits, making bank deposits and distributing fines and fees on a monthly basis. The bookkeeping division also performs various administrative duties including reconciling bank accounts, approving court related expenditures, preparing Ohio Supreme Court reports and preparing indigent offenders' attorney billings.

Under state law, the civil division is responsible for accepting the filings of all civil, small claims, trusteeship, eviction and garnishment suits. The civil division processes a case if the amount is \$15,000 or less, while the small claims division processes a case if the amount is \$3,000 or less for enforcement of all private or public rights. The YMCO civil division has one supervisor and five deputy clerks whose duties include the collection of filing fees, filing the cases in the computer, assigning the cases to a judge, creating the dockets for court hearings, updating case files with court actions and filing the hard copy case files. In addition, the YMCO has two deputy clerks who handle the small claims and trusteeship case filings. These individuals report directly to the administrative assistant.

The criminal division handles matters that are determined to be crimes against the law and subject the convicted offender to punishment imposed by the court. The criminal/traffic division has one supervisor and ten deputy clerks. The deputy clerks are responsible for updating case files, entering cases into the computer system, creating hearing dockets and collecting fees related to criminal cases heard by the court. Additionally, the deputy clerks collect various bonds for offenders wanting to be released from jail.

The parking division currently is under the control of the judges of the municipal court. However, in October 1999, the judges of Youngstown Municipal Court issued a journal entry allowing the collection of parking tickets to be transferred to the clerk of courts office. The clerk's office has assigned two deputy clerks to be responsible for receiving parking tickets from various law enforcement agencies, entering information into the computer system and monitoring the collection of parking fines.

*Financial Data*

**Table 2-1** presents the actual expenditures for calendar years 1998 and 1999 for YMCO and the budgeted amounts for calendar year 2000.

**Table 2-1: Expenditures**

	1998 Actual	1999 Actual	2000 Budgeted
<b>Personal services</b>	\$736,146	\$793,274	\$975,000
<b>Part-time/overtime shifts</b>	696	0	20,000
<b>Fringe benefits <sup>1</sup></b>	20,523	23,915	23,975
<b>Medical, Dental, Life &amp; PERS <sup>2</sup></b>	204,489	221,625	275,123
<b>Professional services</b>	0	0	5,700
<b>Advertising &amp; printing</b>	581	210	600
<b>Repair services</b>	258	892	3,220
<b>Maintenance services</b>	2,432	2,669	2,000
<b>Other operating services</b>	150	150	600
<b>Office supplies</b>	28,305	23,662	35,080
<b>Postage &amp; shipping</b>	24,953	19,321	31,995
<b>Travel, seminars, etc</b>	0	0	5,506
<b>Building &amp; infrastructure</b>	0	0	10,000
<b>Equipment</b>	0	4,501	33,500
<b>Interest expense</b>	0	600	700
<b>Totals</b>	\$1,018,533	\$1,090,819	\$1,422,999

Source: City of Youngstown Department of Finance 2000 Budget Report, as of May 24, 2000

<sup>1</sup>Medical, PERS and life insurance is estimated at 27 percent of salaries and wages for 1998 and 2000 based on the 1999 actual percentage

The proposed calendar year 2000 clerk of court's general fund budget, in the amount of \$1,422,999, represents an increase of \$332,180 or 30.6 percent, as compared to the calendar year 1999 general fund budget. The largest line-item increase is in the category of salary and benefits which increased approximately \$201,786 or 24.6 percent and is attributed to the addition of five new deputy clerk positions. A more detailed discussion on the budget is included in **F2.11** and **F2.12**.

*Staffing Data*

**Table 2-2** summarizes the staffing levels at the Youngstown, Canton, Elyria and Lima clerk of courts.

**Table 2-2: Staffing Levels as of June 30, 2000**

Position	Youngstown	Canton	Elyria	Lima	Peer Average <sup>1</sup>
Clerk of Court	1	1	1	1	1
Chief Deputy/Administrative Staff	2	3	3	0	2
Records	2	0	0	0	0
Small Claims	1	0	0	0	0
Trusteeship	1	0	0	0	0
Civil Division	6	11	5	4.5	6.8
Criminal Division	11	12	11	7	10
MIS Administrator/Assistant Technician	2	2	2	1.5	1.8
Bookkeepers	3	1	2	2	1.7
Parking Clerk	2	0	0	1	0.3
<b>Total number of Employees</b>	<b>31</b>	<b>30</b>	<b>24</b>	<b>17</b>	<b>23</b>

Source: Canton, Elyria, Lima and Youngstown clerk's office

<sup>1</sup> Peer average does not include YMCO

**Table 2-2** was developed to show the total number of staff members for YMCO and the peer clerks of court. Some categories have been combined for comparability among YMCO and the peer clerks of court. Further discussion of the staffing levels for civil, criminal and parking takes place in their respective sections.

*Performance Measures*

The following is a list of performance measures that were use to conduct the review of YMCO:

- Review the compliance with rules and legislation governing the clerk's office
- Assess the clerk of the court's organizational and policy structures
- Review the accuracy and completeness of job descriptions
- Assess the accuracy of personnel files as well as the technology used to maintain the files
- Analyze the adequacy of the performance appraisal system
- Evaluate the adequacy of the training and staff development program for all employees
- Assess the strategic planning process
- Assess the operating expenditures
- Review the record retention policies and facility spacing issues
- Assess the security measures in place at the clerk's office
- Review the video arraignment process



## **Findings/Commendations/Recommendations**

### *Organizational and Policy Issues*

F2.1 The Supreme Court of Ohio adopts rules governing practices and procedures in Ohio courts and is the authoritative governing body regarding laws and regulations for the Clerk of Youngstown Municipal Court. The Supreme Court adopts procedural policies and has general superintendence over all state courts through its rule-making authority established by Article IV, Section 5(A)(1) of the Ohio Constitution. The Rules of Superintendence issued by the Supreme Court establish minimum standards for court administration. The Supreme Court Rules of Civil Procedures, the Rules of Criminal Procedures and the Traffic Rules are referred to throughout this performance audit to illustrate various operational issues the clerk must comply with, in her position as the clerk of court.

The following is the hierarchy of rules and legislation which YMCO must comply with:

- The Rules of Superintendence issued by the Ohio Supreme Court succeeds
- Ohio Revised Code issued by the General Assembly succeeds
- The Local Rules adopted by the judges of Youngstown Municipal Court have the least governing authority

F2.2 In 1997, the Supreme Court of Ohio replaced the existing rules for municipal courts and adopted new rules. Because YMCO has not updated their local Rules of Practice since 1991, the new rules adopted by the supreme court are not included in YMCO's local Rules of Practice. The local Rules of Practice establish the decorum of the court, the duties of the court, conduct, operations and how the court functions in handling civil, criminal, parking and traffic matters. It is the responsibility of the Administrative Judge of the court to update and keep the local Rules of Practice current. However, the clerk's office cannot function in an efficient manner unless the local Rules of Practice are updated regularly. The local Rules of Practice are intended to be supplemental to the Rules of Superintendence, the Ohio Rules of Civil Procedures, the Ohio Rules of Criminal Procedures, the Ohio Traffic rules and all statutes of the State of Ohio, as adopted and amended from time to time. They are to be used in conjunction therewith and should any conflict be found, all rules adopted by the Ohio Supreme Court and laws enacted shall prevail over the local Rules of Practice.

A review of the peer municipalities local Rules of Practice revealed that they are updated regularly and state the court hours, the sessions, the terms of the court, the costs associated for each division, the requirements of pleading, how to obtain a record of the proceeding, the order and decorum, surety, and jury selection. In addition to the general information, each peer had a section for civil, criminal and traffic rules of conduct and operations. Furthermore, the peer municipalities post their local rules on their Web site to allow users 24 hour access.

**R2.1** The clerk of court should work with the administrative judge in an effort to update the local Rules of Practice. This would help improve the efficiency of the YMCO as well as the communications between the clerk's office and individuals who use their services. In addition, updating the local Rules of Practice should help improve communications and coordination between the judges and the clerk's office.

During the course of this audit, the State Auditor's office held status meetings with the municipal clerk's office in an effort to keep them informed as to the status of the audit and to provide them with the information necessary to allow them to begin implementing various recommendations prior to the completion of this engagement. As a result of these meetings, the clerk of court has taken actions to address this recommendation. These actions include the clerk working with the judges to adopt local Rules of Practice consistent with the current Rules of Superintendence, the Ohio Rules of Civil Procedures, the Ohio Rules of Criminal Procedures, the Ohio Traffic rules. The judges assigned this project to a magistrate. Interviews conducted with the court administrator and the magistrate assigned to this project indicated that the adoption of the new local Rules of Practice should be completed for Youngstown Municipal Court before the end of this year.

F2.3 At the start of this engagement, YMCO lacked a written organizational chart. The organizational chart depicted in **Chart 2-1** was developed by the Auditor of State's Office through interviews conducted with staff members. Additionally, information obtained during interviews with employees of YMCO revealed misunderstanding as to whom they report to because precise assignment of authority and responsibility had not been established. The lack of a defined and understood organizational structure can potentially create an environment that is inefficient and/or ineffective in accomplishing its intended goals.

**R2.2** The clerk should develop an organizational structure that will facilitate the stated goals and objectives that are established in the recommended strategic plan (see **R2.9**). A properly developed organizational structure should define the assignment of authority and responsibility to manage activities and should foster management accountability. Clear lines of supervision would improve the efficiency and/or effectiveness of the clerk's operations because employees will know whom they report to and management accountability will be established.

During the course of this audit, the State Auditor's office held status meetings with the municipal clerk's office in an effort to keep them informed as to the status of the audit and to provide them with the information necessary to allow them to begin implementing various recommendations prior to the completion of this engagement. As a result of these meetings, the clerk of court has developed a formal organizational structure with clear lines of authority and established supervisory positions to manage the various activities.

F2.4 YMCO's method for numbering civil case files does not appear to comply with the Rules of Superintendence (Sup. R.). Sup. R. 43(A) states that "when filed in the clerk's office, cases shall be categorized as civil, criminal, or traffic and serially numbered within each category on an annual basis beginning on the first day of January of each year." Currently, the clerk's office has seven categories for numbering case files consisting of the Bureau of Motor Vehicles (BMV), civil, criminal, landlord/tenant, small claims, traffic and trusteeship, and each of the seven categories has their own unique serial numbering system.

**R2.3** Sup. R. 43(A) establishes a method for categorizing and numbering of cases by civil, criminal or traffic. The clerk should work with the judges to institute a cut-off date for the current method of numbering case files and begin numbering civil case files in accordance with Sup. R. 43(A). The method of numbering case file records for all BMV, civil, landlord/tenant, small claims and trusteeship through one system provides for a uniform record keeping system utilized throughout the state for all clerks' offices.

During the course of this audit, the State Auditor's office held status meetings with the municipal clerk's office in an effort to keep them informed as to the status of the audit and to provide them with the information necessary to allow them to begin implementing various recommendations prior to the completion of this engagement. As a result of these meetings, the clerk of court has instituted a cut-off date, at which time all civil cases will be serially numbered under one category in accordance with Sup. R. 43(A).

### *Personnel Related Issues*

F2.5 There were no formal job descriptions for the employees of the YMCO available at the start of this engagement. An effective job description should define and explain for each employee their job functions and responsibilities and how their performance will be evaluated. In Lima, each employee is given a job title and job description explaining what is expected and how they will be evaluated.

**R2.4** The clerk should adopt formal job descriptions which detail the responsibilities that are required to perform the job and what criteria will be used to evaluate the employee. Establishing formal job descriptions would provide employees a clear understanding of their responsibility and it should define their role within the clerk's office.

During the course of this audit, the State Auditor's office held status meetings with the municipal clerk's office in an effort to keep them informed as to the status of the audit and to provide them with the information necessary to allow them to begin implementing various recommendations prior to the completion of this engagement. As a result of these meetings, the clerk of court has implemented job descriptions for all positions within the clerk's office. Because of the newness of the job descriptions, the clerk indicated that the job descriptions

currently implemented will be re-evaluated during the performance evaluation to ensure that they are consistent with the job functions.

F2.6 The prior clerk did not provide or maintain personnel files for the current clerk. Consequently, personnel files for the employees of the YMCO were not available at the start of this engagement. Information regarding the employees hire date, salary or other general information was obtained through the City of Youngstown finance department. In Lima, the clerk's office maintains personnel files on all employees. The personnel files contain the employment application, resume, references, emergency contact data, hire date, salary information and other general information. In addition, the personnel files are kept in a locked file drawer and only the clerk and supervisors are allowed access to these records.

**R2.5** The clerk should create personnel files for each employee. Personnel files normally contain information such as an emergency contact person and phone number, hiring date, performance evaluations, employment application, resume and other general information. In addition, the personnel files should be kept in a secured and locked area and access should be limited. Personnel files can provide the clerk with the information necessary to manage staff as well as ensure their safety.

During the course of this audit, the State Auditor's office held status meetings with the municipal clerk's office in an effort to keep them informed as to the status of the audit and to provide them with the information necessary to allow them to begin implementing various recommendations prior to the completion of this engagement. As a result of these meetings, the clerk of court has begun to take action to address this situation. These actions include developing personnel files on all employees of the clerk's office and securing them in a locked cabinet. The personnel files contain employee profile information, resume, emergency contact information, performance evaluations and other general information.

F2.7 Currently, the clerk does not have an employee policy/procedure manual. The employees indicated that they generally know what is expected of them and departmental policies are understood and internalized. However, the employees have no written document to which they could turn to if they are uncertain of any policy. The Lima clerk's office has a policy manual in place which includes the purpose of the manual and policies regarding office hours, personal phone calls, equipment, changes of address, loyalty, conducts in the office, ethics, public courtesy, supervisor's courtesy, court conduct, offers of gratuities, and vacation scheduling. The Elyria clerk's office has an employee handbook in place which includes the functions of the clerk's office, court conduct, absenteeism, dress code, personal leave, vacation scheduling and other related items.

**R2.6** A detailed policy manual for the YMCO employees should be prepared and implemented by the clerk. This would provide a reference source for employees to better understand job

responsibilities. The policy manual should also indicate requirements for employment and rules and conditions of employment. All employees should receive a copy of the manual for their reference. Employees should be responsible for reviewing and understanding the manual. This manual should be periodically updated for changes in policy and procedures and these changes should be communicated to employees. At a minimum, the YMCO policy manual should address the following:

- Background information on the Court
- Conditions of employment
- Security policies and procedures
- Expectations of employees
- Employee conduct
- Employee development and training
- Employee benefits
- Policy regarding equipment usage
- Legal information
- Vacation/leave information

F2.8 Historical practices for employee wage increases and promotions were not documented. According to employees, they have not historically received promotions or wage increases based on performance evaluations. Rather, raises were given based on the subjective discretion of the prior clerk. The prior clerk did not perform employee evaluations for over thirty-years according to employees.

In Canton, annual reviews are conducted by the chief deputy and supervisor, who meet with each employee individually to evaluate performance. In addition, merit increases are given every other year. In Lima, performance appraisals are conducted annually and they are also used for merit increases, at the end of a probationary period, and for promotions. A performance appraisal form is used to document the evaluation of employee performance. Employee performance evaluations are essential to assess the progress of every employee and to maximize employee productivity.

**R2.7** The YMCO should implement performance evaluations and use these performance evaluations as a management tool. An employee appraisal process can identify ways to maintain and improve the efficiency and effectiveness of employees and their activities. The evaluations should be conducted separately by the supervisor and chief deputy with each individual employee. The appraisal process should be based on well-defined criteria as set forth in a performance evaluation form. Appraisals should be completed regularly and should be based on written documentation of the employee's performance throughout the appraisal period. Not only will performance evaluations benefit the employees in that they will be notified of their strengths and weaknesses, but the evaluations will also benefit management by allowing them to gain a better understanding of each employees' productivity.

Generally, performance evaluations should be conducted at three-month (90 days) and six-month (180 days) intervals for newly hired or promoted employees. At a minimum, all other employees should receive performance evaluations on a yearly basis. The three and six-month appraisals are performed to help make new employees aware of their work progress or lack thereof. If the appraisals are not satisfactory, the employee may either be removed from the position or remain on probation. If they remain on probation, a performance action plan should be created, with the assistance of the division supervisor, the chief deputy clerk and the employee. The performance action plan is designed to help identify specific areas which performance can be improved upon and actions to take in order to implement the plan.

A performance appraisal form should include the reason for the review, definitions of performance ratings, and assessment of other factors including: quality of work, productivity, reliability, attendance, adherence to policies, interpersonal relationships and other factors deemed important by the clerk of court.

During the course of this audit, the State Auditor's office held status meetings with the municipal clerk's office in an effort to keep them informed as to the status of the audit and to provide them with the information necessary to allow them to begin implementing various recommendations prior to the completion of this engagement. As a result of these meetings, the clerk of court has implemented procedures for a performance appraisal system for all employees of the clerk's office. In June 2000, the clerk's office implemented a performance appraisal system designed to evaluate and promote employees based on job skills, knowledge and performance evaluations.

- F2.9 YMCO procedures to document proper qualification, training and supporting professional development of employees are nonexistent. Employees of the clerk's office indicated that the only training they received was "on the job" training. Additionally, it has not been the past practice of the clerk's office to encourage employees to belong to professional organizations. Historically, the clerk's office has not budgeted funds for training and staff development programs for employees. An assessment of the Clerk's 1999 Budget Report from the City of Youngstown Finance Department indicates that no amounts were spent on training and staff development for clerk of court employees in 1997, 1998 and 1999.

In the past year, the staff in Lima have attended training seminars for Windows, WordPerfect and various other classes. The Canton clerk's office sends their key employees to semi-annual Association of Municipal Court Clerks meetings and annual leadership seminars.

- R2.8** A training need's assessment should be performed by YMCO. The clerk should analyze and review the needs of employees to devise a training curriculum which would enhance and improve the employees' performance. Professional organizations provide valuable information to members through a variety of seminars and training opportunities at reduced cost for its members. To take advantage of these opportunities, the YMCO should consider providing

funds for employees to belong to professional organizations. Appropriate training would give employees the information they need to perform their duties efficiently and would enable employees to keep up to date on current issues that effect their performance. Some examples of professional organizations for clerk of court employees are: the Ohio Association of Municipal Court Clerks, the National Association for Court Management and the Ohio Court Clerk Association.

Additionally, YMCO should consider establishing a formal training program for new employees. The first day should be spent in orientation where the supervisor of the division will be responsible for passing along information and guidance that the new employees will need to succeed in their position. The new employee should also be paired up with another employee who can act as a mentor for the first 3 to 6 months of employment. To ensure that the different mentors pass along the same type of information to the new employees, the clerk should document the desired procedures and pass this information along to the supervisors for discussion with the employees. A successful training program lays down the essential framework that a new employee will need to be productive in their new position.

During the course of this audit, the State Auditor's office held status meetings with the municipal clerk's office in an effort to keep them informed as to the status of the audit and to provide them with the information necessary to allow them to begin implementing various recommendations prior to the completion of this engagement. As a result of these meetings, the clerk of court has begun to take action to address this recommendation. This action includes reallocating funds within the current budget to provide approximately \$5,500 for employee training and dues to professional organizations.

### *Budgetary and Expenditures Issues*

F2.10 Currently, the YMCO does not have a strategic plan which identifies the mission of YMCO and its short and long term goals and objectives. Past budgets have been developed based more on historical expenditures rather than accomplishing the mission, goals and objectives of the clerk's office. In Canton, the clerk's office utilizes strategic planning to identify the goals and objectives for long-term projects such as facility improvements, technology purchases and staffing needs. These plans are then tied to the budget and used as a guide when making purchases.

**R2.9** The YMCO should develop and implement a strategic plan that clearly identifies the overall objectives of the office. It is important that this plan be developed so that the employees of the clerk's office can work towards achieving the clerk's desired goals and objectives. The strategic plan should address the office resources, facility improvements, staffing and technology. Strategic planning, program planning, setting priorities and allocating resources for results is a comprehensive approach which focuses an organization on its mission, goals

and objectives. The establishment of performance measures and the reporting of the results provides a systematic method for carrying out the mission, goals and objectives for the clerk's office.

The strategic plan should be updated annually to address the clerk's current goals and objectives. The implementation of a written strategic plan would increase accountability, communicate the clerk's desired objectives and identify the extent to which the organization is meeting its established goals and objectives. Finally, YMCO should link the strategic plan to the operating budget. Those goals and objectives deemed most important should be allocated funds in a manner which reflects this priority.

F2.11 **Table 2-1** in the background section presents the actual expenditures for calendar years 1998 and 1999 for YMCO and the budgeted amounts for calendar year 2000. The following is a highlight of the significant changes in expenditures for calendar year 1999 compared to the budget amount for calendar year 2000.

- Salaries and wages increased approximately \$181,700 for four new deputy clerks to handle warrants and one deputy clerk to handle the collection of parking tickets. In addition, shift differential pay was implemented for the night deputy clerks at the rate of twenty-nine cents per hour for the two afternoon clerks (4pm to 12am) and forty-three cents per hour for the one night clerk (12am to 8am), effective January 1, 2000.
- Part-time/overtime pay of approximately \$20,000 was implemented to compensate the night crew employees who work over 40 hours per week. Historically, the clerk's office did not compensate employees who worked more than forty hours per week, however, as of January 1, 2000, employees will begin receiving overtime pay.
- Professional services expenditures of approximately \$5,700 were budgeted for a collection service to handle severely past due criminal and traffic fines.
- The budgeted office supplies expenditures increased approximately \$11,400 to allow for computer software upgrades and networking for the existing computer system.
- The budgeted postage expenditures increased approximately \$12,600 to allow for the mailing of collection notices for delinquent criminal, parking and traffic fines. These tasks were not completed in the past. A more detailed discussion on the collection of delinquent fines is included in the **criminal** and **parking** sections of this report.
- The budgeted expenditures for travel, seminars and training increased approximately \$5,500 to allow employees to join professional organizations and attend seminars.



- The budgeted building and infrastructure expenditures of approximately \$10,000 is to allow for carpet replacement in the clerk's office.
- The budgeted equipment expenditures increased approximately \$29,000 to allow for the replacement of several terminals currently being used and the replacement of old office furniture and other equipment during the reconfiguration that will be implemented this year.

F2.12 **Table 2-3** was developed to assess the differences in operating expenditures on a per 1,000 case basis between YMCO and its peer municipalities. Some expenditure categories have been combined, such as repair and maintenance because these functions are achieving similar objectives. Advertising, postage and shipping expenditures have been combined to allow for comparability among YMCO and the peer clerks of court.

**Table 2-3: Operating Expenditures per 1,000 Cases**

FY 1999 Actual Expenditures	Youngstown	Canton	Elyria	Lima	Peer Average <sup>1</sup>
Salaries and benefits	\$50,922	\$27,230	\$35,999	\$26,672	\$29,967
Professional Services	0	259	0	0	0
Travel/training	0	59	200	153	138
Dues/publications	0	10	10	19	13
Repairs and maintenance	175	121	631	12	255
Office supplies	1,160	113	989	242	448
Postage & advertising	965	1,470	1,441	2,362	1,758
Equipment	221	361	50	359	257
Other	29	681	438	42	387
<b>Average cost per 1,000 cases</b>	<b>\$53,472</b>	<b>\$30,303</b>	<b>\$39,758</b>	<b>\$29,862</b>	<b>\$33,221</b>

Source: Cities Department of Finances 1999 Budget Report, Canton, Elyria, Lima and Youngstown.

<sup>1</sup>Peer average does not include Youngstown

The following is a highlight of the significant difference in expenditures for **Table 2-3**.

- In total, YMCO spends \$20,252 per 1,000 cases more than the peer average. The major factor contributing to the high average cost per 1,000 cases is YMCO's inadequate use of technology. A large portion of paper work is still being completed manually, which is a factor in the high cost of personnel salaries. Currently, all summons, certified mail, regular mail, motion, call sheet, transcripts, forcible entry

cases, garnishments, half sheets, writs of restitution, bonds, releases, bound overs, trusteeship cases, judgements and dismissals for the daily news, checks and correspondence are still processed manually. See the **technology** section for further details on the computerization of YMCO.

- YMCO's past practices did not allow for travel, training, dues or publication for the employees of the clerk's office. It has not been the practice of the clerk's office to encourage employees to belong to professional organizations. Historically, the YMCO did not budget funds for training and staff development programs for employees. However, the current clerk has budgeted approximately \$5,500 for training, travel and seminars.
- YMCO has the highest cost per 1,000 cases for office supplies expenditures compared to the peer municipalities and the peer average. The high cost of office supplies can be attributed to the custom printing of forms. The current clerk appears to have rectified this and is currently working with GBS Computer and Communication, Inc. to have all forms generated by the computer and has established September 1, 2000 for the implementation date. See the **technology** section for further details regarding the computerization of forms for YMCO.
- YMCO has the lowest cost per 1,000 cases for postage and advertising compared to the peer municipalities and the peer average. The lower cost can be partially attributed to YMCO's smaller case load. Certified mail is the method used for notification of a summons in all cases unless otherwise stipulated. Therefore, fewer cases means a lower expenditure for postage. Another contributing factor is YMCO not sending out notices in an effort to collect on delinquent accounts. See the **criminal** and **parking** sections of this report for further discussion on the collection of delinquent accounts.
- Other expenditures consist of telephone and interest expense. YMCO and Lima clerk's office budgets do not reflect the cost for phone service because the respective cities provide this service at no cost to the clerk's office.

The lack of technology and the inadequate practices in collecting delinquent accounts are contributing factors in the majority of the expenditures where YMCO has higher costs than the peers. The **technology** and **criminal** sections thoroughly analyze these issues and contain many recommendations on how to correct the deficiencies.

*Record Retention and Facility Issues*

F2.13 YMCO has no written court record management and retention policies or procedures in place to ensure compliance with the minimum standards for the production, maintenance, preservation, and destruction for records within the courts. One of the principal duties of the clerk of courts is to keep journals, records, books and papers pertaining to the court. The Supreme Court adopted Sup. R. 26 to 26.05 to authorize alternative electronic methods and techniques to enhance and improve the efficiency of the courts and to simplify the production, maintenance, preservation and destruction of records within the courts. **Table 2-5** illustrates the number of years hard copy case file records are maintained by YMCO and its peer municipalities.

**Table 2-4: Years Hard Copies are Maintained**

	Youngstown	Canton	Elyria	Lima	Peer Average <sup>1</sup>
<b>Civil</b>					
# of years maintained in work area	19	2	1	2	2
# of years maintained in storage facility	0	10	14	10	11
<b>Total # of years maintained</b>	19	12	15	12	13
<b>Criminal/Traffic</b>					
# of years maintained in work area	8	3	1	2	2
# of years maintained in storage facility	5	9	6	10	8
<b>Total # of years maintained</b>	13	12	7	12	10

<sup>1</sup>Peer average does not include Youngstown

YMCO maintains nineteen years of civil case file records and eight years of criminal/traffic case file records within the work area. Maintaining this level of case files requires a large amount of space dedicated solely for storage purposes. Additionally, **Table 2-4** indicates that YMCO maintains records in excess of the Rules of Superintendence. The Rules of Superintendence for the municipal court are summarized as follows:

- Sup. R. 26.05(G)(1) requires civil case files to be retained for two years after the issuance of an audit report by the Auditor of State's Office.
- Sup. R. 26.05(G)(2) requires driving under the influence of alcohol or drug (DUI) case files to be retained for seven years after the date of the final order of the municipal court.

- Sup. R. 26.05(G)(3) requires first through fourth degree misdemeanor traffic and criminal case files except for DUI to be retained for five years after the date of the final order of the municipal court or one year after the issuance of an audit report by the Auditor of State's Office, whichever is later.
- Sup. R. 26.05(G)(4) requires all minor misdemeanor traffic and criminal case files to be retained for two years after the final order of the municipal court or one year after the issuance of an audit report by the Auditor of State's Office, whichever is later.

Additionally, each municipal court, by rule, must comply with the Ohio Revised Code in addition to the Rules of Superintendence. ORC 1901.41(B)(1) states that if the case has been disposed of for less than fifteen years, the court may order the files destroyed only if the files have been copied or reproduced prior to their destruction. However, criminal prosecutions for minor misdemeanor or traffic prosecutions do not have to be copied or reproduced in any manner or under any procedure prior to destruction or disposition of the case file.

**R2.10** YMCO should adopt Sup. R. 26 to 26.05 and establish written policies and procedures to give guidance to the employees who are responsible for the records management and retention of the case files. The Supreme Court of Ohio adopted the Rules of Superintendence to allow for technological enhancements that improve the efficiency of the courts. YMCO should adopt these rules to be in compliance with the Supreme Court. These rules were intended to provide minimum standards for the production, maintenance, preservation and destruction of records within the courts and to authorize alternative electronic methods and techniques to enhance and improve the efficiency of the courts.

During the course of this audit, the State Auditor's office held status meetings with the municipal clerk's office in an effort to keep them informed as to the status of the audit and to provide them with the information necessary to allow them to begin implementing various recommendations prior to the completion of this engagement. As a result of these meetings, the clerk of court has addressed this recommendation by moving the old case files out of the work area and into storage and requesting the judges to adopt Sup. R. 26 to 26.05. As a result, on May 24, 2000 the judges of YMCO adopted Sup. R. 26 so that the clerk may create, receive, record, copy or preserve a case file record using any nationally accepted records and information process.

F2.14 YMCO employs two deputy clerks who are responsible for microfilming all case file records for the clerk's office. The microfilming equipment utilized by the deputy clerks was donated six years ago and is approximately twenty years old. Currently, employees of the YMCO use an electric typewriter for the majority of correspondence dealing with the processing of all civil, criminal, parking and traffic cases. Additionally, YMCO utilizes a manual method to record information for indexes and dockets into large cumbersome books. The current methods utilized at YMCO does not allow for quick retrieval of information.

In Lima, the clerk's office utilizes scanning/imaging equipment, so that when a new case is filed, the counter clerk scans the documents and links the index case number to the imaged documents in the computer system. Retrieval of information is quick and efficient because all documents associated with the case are maintained in the computer system. In addition, Canton and Lima utilize an electronic medium to record information into indexes and dockets. The use of an electronic medium allows for quick retrieval of information and frees up storage space. The data bases provide the dates and a summary of all hearings, pleadings, filings, orders, and other matters that are essential to an action, proceeding, or other court related matters. The peer municipalities also provide public terminals to allow individuals to process criminal background screens and other related purposes.

Additionally, Sup. R. 26(D)(2) allows the clerk to create, maintain, receive, record, copy or preserve a record using any nationally accepted records and information management process that complies with the American National Standards Institute (ANSI) standards and guidelines. Additionally, Sup. R. 26(C) allows courts to replace any paper bound books currently in use with an electronic medium or microfilm in accordance with the Rules of Superintendence.

F2.15 **Table 2-5** summarizes the number of pages microfilmed for YMCO in the past three years.

**Table 2-5: Records Conversion History**

	1997	1998	1999
<b># of pages microfilmed</b>	122,000	119,000	112,420

The number of pages microfilmed per year has decreased over the past three years. According to the deputy clerk who handles the microfilming function, the decrease is attributed to the assignment of new duties, such as taking the deposit to the bank and other tasks deemed necessary by the clerk. Currently, the record's deputy clerk is behind and is microfilming case file records for the 1993 calendar year. To rectify the microfilming backlog and to keep this function current, the YMCO has recently hired an additional staff member to assist the record's deputy clerk. With the additional staff member, the record's deputy clerk estimates that the backlog will be eliminated during 2001. In contrast to YMCO, none of the peers have individuals assigned to maintain case files. Rather, the peers handle case file management within the respective divisions.

**R2.11** The YMCO should develop a comprehensive plan which lays the groundwork for a more efficient administration and modernization of court records. The following is a discussion of different options YMCO could consider in determining a strategy to improve the efficiency of the courts and to simplify the production, maintenance, preservation and destruction of records within the courts.

- Option A. The YMCO could continue with the current system of using two staff members to eliminate the microfilming backlog. Under this option, once the backlog is eliminated in 2001, YMCO should consider reducing staffing by one FTE. Using an average salary and benefit figure of approximately \$35,000 and assuming it takes until the end of 2001 to eliminate the backlog, it is estimated that this option will cost YMCO \$140,000 to eliminate the backlog. Assuming that once the backlog is eliminated YMCO will only dedicate one FTE to the records management function, this option will cost YMCO approximately \$35,000 after 2001 to stay current.
- Option B. The YMCO could consider purchasing and implementing scanning/imaging equipment. Properly using this equipment will allow for optimal retrievals and storage of records. Additionally, to eliminate the backlog, the clerk's office can continue to use one records deputy clerk to scan the old case files. However, because the scanning equipment would be incorporated within the operations of the different divisions, once the backlog is eliminated, YMCO should be able to stay current in scanning the case files without dedicating a full-time deputy clerk to this function. In discussions with the Lima Clerk of Courts it was indicated that the cost of one scanner will range from \$850 to \$2,500 per unit. Furthermore, based on YMCO's caseload, it is estimated that clerk's office would need three pieces of scanning/imaging equipment.

Assuming that Option B is implemented and YMCO purchases three pieces of scanning equipment at an average cost of \$2,000 each, retains one FTE at an annual cost of approximately \$35,000 for salaries and benefits, and it takes until the end of 2002 to eliminate the backlog, it is estimated that this option will cost YMCO approximately \$111,000 to eliminate the backlog. However, once the backlog is eliminated, there would be minimal costs to stay current because YMCO would own all of the equipment and the records clerk would be assigned other duties.

- Option C. Another alternative the YMCO could consider is to contract with an outside company to either scan or microfilm all case files. This would allow the clerk's office to eliminate the backlog in a timely fashion as well as reduce the staffing that is currently dedicated to this function. Based on discussions with a information management firm in Akron, Ohio, it is estimated that it would cost approximately \$78.00 per 1,000 images. In 1999, YMCO microfilmed approximately 112,000 pages.

Assuming an annual cost of \$8,800 ( $112,000/1,000 * \$78.00$ ) to microfilm 112,000 pages and there is currently a seven year backlog, it is estimated that implementing option C will cost YMCO approximately \$62,000 to eliminate the backlog. Once the backlog is eliminated, it is estimated that it will cost YMCO approximately \$8,800 annually to stay current in microfilming its case files.

Based on the assumptions and estimated costs noted in the options above, it appears that YMCO should implement a combination of Options B and C. Specifically, YMCO should consider contracting with an outside company to eliminate the backlog as well as purchase and implement the use of scanning equipment to stay current.

*Financial Implications:* If YMCO implemented a combination of Options B and C, the clerk's office could reduce staffing by two positions. Assuming the average salary and benefits per staff member are approximately \$35,000, the YMCO could recognize a savings of approximately \$70,000 annually. The associated cost to implement Option C is \$62,000 while the cost to implement Option B is estimated to be \$8,000. However, it is important to note that the implementation costs for Options B and C represent one-time costs with minimal expenditures required in the future for the upkeep of the scanning equipment.

F2.16 Sup. R. 26(D)(2)(b) states that "records shall be maintained in conveniently accessible and secure facilities, and provisions shall be made for inspecting and copying any public records in accordance with applicable statutes and rules." Historically, the past practice of YMCO violated Sup. R. 26(D)(2)(b) by storing records in an area of a condemned building which was not conveniently accessible to the public nor secure. Additionally, because of the method of storage, many of the permanent records were damaged or destroyed by water while being maintained in this facility.

**R2.12** The YMCO should establish a storage area that safeguards the court's records in accordance with Sup. R. 26(D)(2)(b). Providing a conveniently accessible and secure storage area to maintain court records allows for quick retrieval of court documents upon the request for inspection.

During the course of this audit, the State Auditor's office held status meetings with the municipal clerk's office in an effort to keep them informed as to the status of the audit and to provide them with the information necessary to allow them to begin implementing various recommendations prior to the completion of this engagement. As a result of these meetings, the clerk of court has established a storage area that safeguards these records in accordance with Sup. R. 26(D)(2)(b).

F2.17 A review of YMCO policies and procedures for the destruction of old case files revealed that the prior clerk usually contracted with a trash removal company to pick-up and transport the case file records to a landfill to be dumped without burning or shredding the records prior to disposal. Additionally, the prior clerk did not retain the proper forms supporting the notification to the Ohio Historical Society (OHS) and the certificates of destruction for the disposal of records.

In Canton, the clerk's office contracts with an outside service company for a fee of approximately \$2,200 per year. The company, on a semiannual basis, removes and destroys

all court records per the approved schedule and provides a Certificate of Destruction for all destroyed records. Additionally, the company moves, organizes and files all inactive court records from the existing file room to the inactive storage facility, which allows for timely retrieval by staff.

**R2.13** The YMCO should establish an appropriate method for the destruction of old case file records. There are several reputable record management companies in the local area who are knowledgeable in the area of record maintenance, retention and destruction of municipal court case files. In addition, the YMCO should not destroy case files unless the file has been reproduced or the case has been finally disposed of for more than fifteen years according to ORC 1901.41(B)(1).

During the course of this audit, the State Auditor's office held status meetings with the municipal clerk's office in an effort to keep them informed as to the status of the audit and to provide them with the information necessary to allow them to begin implementing various recommendations prior to the completion of this engagement. As a result of these meetings, the clerk of court has addressed this recommendation by contracting with an outside agency for the removal and destruction of old case files.

F2.18 In the past, non-clerk of court personnel were able to remove permanent case files without the consent or knowledge of the clerk's employees. The current computer system has the ability to track who has a specific file, however, the clerk's office has not implemented this function.

**R2.14** The clerk of court should redesign the process so that only certain designated individuals are permitted to pull files. Individuals that need case files should go to the designated clerks to sign-out the files in the computer system and then sign-in the files when they have been returned. The incorporation of a sign-in/sign-out procedure should produce a more efficient retrieval of information.

During the course of this audit, the State Auditor's office held status meetings with the municipal clerk's office in an effort to keep them informed as to the status of the audit and to provide them with the information necessary to allow them to begin implementing various recommendations prior to the completion of this engagement. As a result of these meetings, the clerk of court has addressed this recommendation by implementing a process of requiring non-deputy clerks to sign-in/sign-out criminal case files utilizing the computer system and making the clerk's office the point of contact for warrant verification. See the **technology** section for further detail regarding the computerization of the sign-in/sign-out procedure.

F2.19 In visiting the premises of YMCO, it was noted that there were no duress alarm system, video surveillance cameras or bullet proof glass areas to protect the clerks against the possibility of



a hold-up or hostage situation. In addition, the clerk's office currently has no security plan in place. Generally, the deputy clerks handle large sums of monies on a daily basis and YMCO lacks protective areas for the handling of cash.

In Lima, the clerk of court installed a video surveillance system. The deputy clerks in the criminal division work in a locked secure area behind bullet proof glass. The Canton clerk's office also installed bullet proof glass in both the criminal and civil divisions. Both Canton and Lima have a secure area where records are maintained and access is restricted. However, it is important to note that the current clerk of court has indicated that the judge's office and the clerk's office will be moving to a new facility within the next twelve months.

**R2.15** The YMCO should be a safe and secure environment for all employees and visitors. Therefore, the clerk of court should establish a written security policy and procedures plan. Furthermore, the clerk should adopt procedures to ensure the security of employees for periods of time other than the normal working hours, as part of a comprehensive security plan. A thorough knowledge of the clerk's security policy and procedures plan by all personnel should include review of the plan as a part of the orientation of new personnel and as a component of regular, continuing education for retained clerk personnel. A copy of the plan should be available to all persons assigned to the YMCO to ensure that all personnel understand the appropriate security procedures.

Because the clerk has indicated the possibility of moving to a new facility, the YMCO should consider installing a movable duress alarm system at the current location. A wireless emergency call system allows portable panic buttons to be located anywhere. In addition, the YMCO should consider securing the area where the cash is handled and only the clerks who work in the bookkeeping department should have access to the room.

During the course of this audit, the State Auditor's office held status meetings with the municipal clerk's office in an effort to keep them informed as to the status of the audit and to provide them with the information necessary to allow them to begin implementing various recommendations prior to the completion of this engagement. As a result of these meetings, the clerk of court has addressed this recommendation by negotiating to move the clerk's office to a new location within the next year. At this new location, the clerk plans to install an alarm system, a video surveillance system and bullet proof glass areas to protect the deputy clerks and the visitors in the new facility.

*Financial Implications:* The court administrator has indicated that the current security system installed for court has the capability to handle additional panic buttons for the clerk's office. Assuming the clerk's office would need eight panic buttons at a cost of approximately \$85 each, the total cost would be approximately \$680.

### *Video Arraignment*

F2.20 The Municipal Court of Youngstown on Friday March 10, 2000, conducted their first official arraignment session by video. The use of video arraignments are to become the court's standard method of arraigning defendants in custody at the time of their arraignment. The video arraignment process allows the court to arraign a defendant from a special room in the jail via a television monitor. A camera operating in the courtroom permits the defendant to view the judge during the arraignment. A separate camera in the jail allows the judge and the courtroom audience to view the defendant on monitors in the courtroom and on the judge's bench.

**C2.1** The video arraignment process can reduce safety concerns for all involved and provide an efficient and effective method for arraigning defendants in custody at the time of their arraignment.

## **Financial Implications Summary**

The following table represents a summary of the annual cost savings and implementation costs for the recommendations in this section of the report. For the purpose of this table, only recommendations with quantifiable financial impacts are listed.

### **Summary of Financial Implications**

<b>Recommendation</b>	<b>Annual Cost Savings</b>	<b>One-Time Implementation Costs</b>
<b>R2.11</b> Adopting one of the options for case file microfilming	\$70,000	\$70,000
<b>R2.15</b> Purchase eight panic buttons		\$680
<b>Total</b>	<b>\$70,000</b>	<b>\$70,680</b>

## **Conclusion Statement**

Based on several operational ratios, the Youngstown Municipal Clerk of Court's Office appears to operate inefficiently. This inefficiency can be attributed to a deficient organizational structure, not fully utilizing technology, a lack of formal policies and procedures and potentially not complying with certain rules and regulations. YMCO should strive to make its operations more efficient by reviewing and rectifying these deficiencies.

The YMCO does not have an effective organizational structure in place to define the assignment of authority and responsibility. The civil division's operational functions are segmented and operate independently. Consolidating several of its operational functions such as civil, small claims and trusteeship into one unit would allow the division to plan and implement technology changes necessary to function effectively and can produce a more efficient operation.

The YMCO has many technology functions available that were not being utilized or are antiquated. Because technology affects all aspects of the YMCO's operations including staffing, delinquent account collections, operating expenditures as well as various other items, it is imperative that YMCO begin effectively using the available technology.

Written policies and procedures are nonexistent for the functions of the YMCO. While some practices have evolved, most practices are outdated and have not been reassessed since their implementation. The YMCO should develop written policies and procedures, as well as accompanying performance evaluations, to direct the employees and prevent inefficient practices.

The clerk should ensure that YMCO is in full compliance with all pertinent rules and regulations governing court administration. Implementation of the recommendations contained in this report, combined with improved communications with the judges and allowing staff to attend professional seminars, will provide significant resources necessary to support the YMCO's compliance efforts.

Even though YMCO has experienced many problems regarding the organizational structure of the clerk's office, a lack of formal policies and procedures and the potential of not complying with certain rules and regulations, it should be commended for the progress that has been made. YMCO has been working for approximately the past six months to make the necessary changes to become more efficient in the delivery of its services to the public.

# Cash Management

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## Background

This section focuses on the cash management of the City of Youngstown Municipal Clerk of Court's Office (YMCO or municipal clerk's office). Peer municipal clerk of court operations will be analyzed for practices which could potentially benefit the municipal clerk's office. The peer municipal clerk of courts utilized in this section of the report for comparison are the City of Canton Municipal Clerk's Office (CMCO), the City of Elyria Municipal Clerk's Office (EMCO) and the City of Lima Municipal Clerk's Office (LMCO).

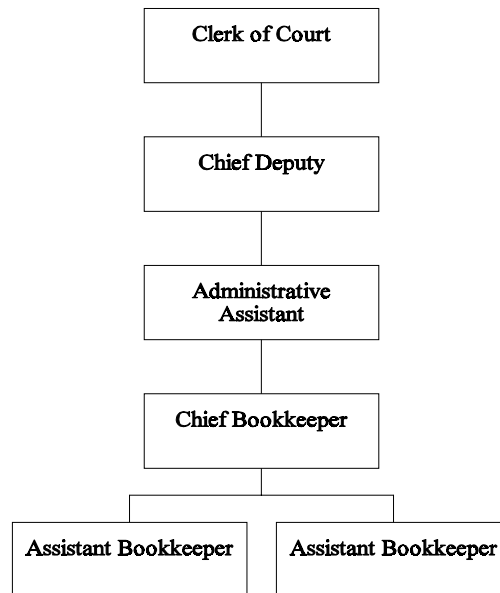
### *Organization Function*

The City of Youngstown Municipal Clerk of Court's Office has one division (bookkeeping division) which handles all of the cash management functions except for the actual cash receipts from customers. The criminal/traffic division and the civil division within the municipal clerk's office as well as the parking division in the City of Youngstown Bailiff's Office (bailiff's office) are responsible for the daily cash collections.

### *Organizational Chart*

**Chart 3-1** below provides an overview of the organizational structure for the municipal clerk's office bookkeeping division.

**Chart 3-1: Bookkeeping Division**



*Summary of Operations*

The bookkeeping division of the municipal clerk’s office includes a chief bookkeeper and two assistants. The chief bookkeeper in the municipal clerk’s office is responsible for overseeing and managing the functions of the bookkeeping division and balancing the bank statements as well as the monthly disbursements for the case files. The chief bookkeeper also spends approximately ten percent of each day assisting the criminal division with landlord tenant cases. One assistant is responsible for balancing the cash drawers and preparing deposit slips for the criminal division. The other assistant spends 25 percent of each day balancing the cash drawers and preparing deposit slips for the civil division and 75 percent of each day on garnishment payments, which is a civil function. In addition to the specified duties, personnel in the bookkeeping division are also responsible for verifying the daily deposits of the parking ticket division and performing some of the cash functions for landlord/tenant cases.

*Financial Data*

**Table 3-1** illustrates the cash receipts for the municipal clerk's office for fiscal year (FY) 1997, 1998 and 1999.

**Table 3-1: Financial Data**

<b>Branch</b>	<b>FY 1997</b>	<b>FY 1998</b>	<b>FY 1999</b>	<b>Average</b>
<b>Criminal Branch</b>	\$1,217,699	\$1,416,068	\$1,253,761	\$1,295,843
<b>Civil Branch</b>	1,088,880	1,028,659	1,226,878	1,114,806
<b>Totals</b>	\$2,306,579	\$2,444,727	\$2,480,639	\$2,410,649

Source: YMCO 1997, 1998 and 1999 annual reports

*Performance Measures*

The following is a list of performance measures that were used to conduct the review of cash management at the City of Youngstown Municipal Clerk's Office:

- Assessment of the organization within the bookkeeping division of the municipal clerk's office
- Assessment of banking services and financial transaction devices (credit cards)
- Review of the daily collections
- Assessment of reconciliation procedures
- Assessment of investment activity
- Review of the cash disbursement process



## Findings / Commendations / Recommendations

### *Organization and Staffing*

F3.1 The municipal clerk's office has a separate division responsible for the cash management functions of YMCO. The individuals responsible for the daily collection of monies within the criminal/traffic, civil and parking divisions do not perform the daily deposits and monthly disbursement transactions related to the case files. These transactions, in addition to the monthly bank reconciliations and other duties, are performed within the bookkeeping division.

**C3.1** The separation of cash management duties within the municipal clerk's office creates a segregation of duties between cash receipts, record keeping, deposits and monthly cash disbursements. Failure to have such a segregation would decrease the controls over cash resulting in possible theft. In addition, limiting the number of people who are authorized to make cash disbursements minimizes the possibility of expenditures being made for unauthorized products or services.

F3.2 The bookkeeping division within the municipal clerk's office consists of one chief bookkeeper and two assistants. The chief bookkeeper has been with YMCO for over 20 years while the two assistants each have less than one year of experience with the municipal clerk's office. The chief bookkeeper is responsible for the monthly disbursements on the case files, balancing the monthly bank statements and overseeing the daily operations within the bookkeeping division. One assistant is responsible for balancing the daily cash drawers and preparing the deposit slips for the criminal division while the other assistant is responsible for balancing the cash drawers and preparing the deposit slips for the civil division.

In addition to these specified responsibilities, the bookkeeping division is also responsible for balancing the cash drawer and preparing the deposit tickets for the parking division. Furthermore, the bookkeeping division is responsible for all cash transactions for landlord/tenant cases including receipts, disbursements, record keeping and case management. This results in the compromising of internal controls of cash collections and disbursements in landlord/tenant cases. See the **civil** section of this report for further discussion on landlord/tenant cases.

**R3.1** YMCO should implement a segregation of duties for the cash management functions of landlord/tenant cases comparable to the segregation which exists for criminal/traffic, civil and parking divisions. Without proper segregation of duties, the opportunity for the misappropriation of monies is increased. As the organizational structure currently exists, there is no accountability procedure to ensure that monies are accounted for properly and to provide for an accurate segregation of duties. In order to remedy this situation, the municipal

clerk's office should consider reassigning the responsibility for landlord/tenant cases from the bookkeeping division to the civil division. See the **civil** section of this report for further discussion on the reorganization of landlord/tenant cases.

F3.3 **Table 3-2** provides information on the bookkeeping division staffing levels in FY 1999 compared to the peer municipal clerk offices.

**Table 3-2: Bookkeeping Division Staffing Comparisons (FY 1999)**

	Youngstown	Canton	Elyria	Lima	Peer Average <sup>1</sup>
<b>Number of Staff (FTE)</b>	2.15	1.00	2.00	2.00	1.79
<b>Total Dollars Received from Criminal Cases</b>	\$1,253,761	\$3,641,613	\$2,851,219	\$1,536,000	\$2,320,648
<b>Total Dollars Received from Civil Cases</b>	\$1,226,878	\$1,982,120	\$517,676	\$232,191	\$989,716
<b>Total Criminal and Civil Received</b>	\$2,480,639	\$5,623,733	\$3,368,895	\$1,768,191	\$3,310,364
<b>Dollars Accounted for per Staff <sup>2</sup></b>	\$1,153,786	\$5,623,733	\$1,684,448	\$884,096	\$1,849,365

**Source:** Annual reports from YMCO and the peer municipal clerk of court as well as Supreme Court of Ohio Statistics

<sup>1</sup> Peer averages include YMCO as well as the three peer municipal clerk offices.

<sup>2</sup> This is the average amount received and recorded per staff.

As indicated in **Table 3-2**, YMCO maintains 2.15 FTEs in the bookkeeping division compared to the peer average of 1.79. In addition, the average dollars accounted for per employee in the bookkeeping division is approximately \$696,000 less than the peer average.

The peer municipal clerk offices are able to operate the bookkeeping division with less than two people because of the technology and organization which they have in place. For example, the technological capabilities at the peer municipal clerk offices minimize the number of manual tasks and have been completely implemented into the daily operations. This results in increased operations efficiencies. Consequently, YMCO is in the beginning stages of implementing technology into its daily operations (see the **technology** section of this report for further discussion).

In addition, the deputy clerks at the peer municipal clerk offices are required to balance their cash drawers at the end of the day. As stated in **F3.2**, the deputy clerks are not required to balance cash drawers at the end of the business day. However, the assistants in the bookkeeping division are responsible for balancing the cash drawers.

**R3.2** Based upon the information contained in **Table 3-2**, YMCO should consider assigning additional duties to the bookkeeping division. **Table 3-2** shows that on average, personnel are responsible for approximately \$696,000 less in transaction amounts when compared to the peer average and the staffing at the municipal clerk's office is slightly higher than that of the peer average. This indicates the bookkeeping division should be able to complete additional duties from other divisions such as criminal or civil

### *Overall Planning and Management*

F3.4 YMCO has not evaluated the banking services which it has received for several years. It has used the same financial institution for approximately 15 years and has maintained all of its accounts with this same financial institution during this time period. In addition, the municipal clerk's office does not have a policy regarding the procurement of banking services.

Due to the recent changes in technology, cash management practices and the banking industry, the periodic review of banking services which are being received from a financial institution is becoming a necessity according to a March 2000 report of the Government Finance Officers Association (GFOA) titled "Recommended Practices for State and Local Governments."

**R3.3** YMCO should develop and implement policies and procedures for the review and procurement of banking services on a periodic basis. The policies and procedures should include the following practices:

- Reviewing the banking services which are currently being received for effectiveness and efficiency
- Initiating competitive-bidding for major banking services through the use of requests for proposals (RFPs)
- Utilizing contracts for banking services which specify services, fees and other methods of payment or compensation
- Evaluating the needs of specific banking services against the related costs and benefits.

F3.5 The Ohio Rules of Criminal Procedure Rule 46(G) states that municipal courts should establish methods whereby individuals can make payments utilizing a credit card. At the start of this engagement, individuals were limited to making payments at the municipal clerk's office by either cash or check. Some potential benefits of using credit cards as a method of payment include the following:

- Increase the certainty of collection
- Reduce processing costs for non-sufficient fund (NSF) checks

- Accelerate payments and the availability of funds
- Improve the audit trail
- Increase customer convenience.

F3.6 Prior to the current administration in the municipal clerk's office, a journal entry was filed in the City of Youngstown Municipal Court on October 22, 1999 which stated that "The Youngstown Municipal Court will, as of November 1, 1999, accept MasterCard and Visa as payment of bail, bonds, fines, court costs, parking tickets and restitution payments made to the court."

The court administrator has contracted with various financial institutions for the utilization of financial transaction devices (credit cards). The financial institutions have included in the contract a transaction fee for each transaction made. However, Ohio Criminal Rule of Procedure Rule 46(G) states that no transaction fee may be paid by a municipal court or clerk's office unless allowed by law. In addition, the municipal clerk's office is charging a \$5.00 fee per credit card transaction to cover all additional transaction costs associated with the utilization of credit card payments.

**R3.4** YMCO should include in its collection process the ability for individuals to make payments utilizing credit cards. In addition, the municipal clerk's office and judges should consider the implementation of a fee to cover any additional administrative expenses. However, this fee can not be implemented if the municipal clerk's office does not incur transaction expenditures resulting from credit card payments. The municipal clerk's office should contact its legal counsel to ensure that YMCO is in compliance with Ohio Criminal Rule of Procedure Rule 46(G).

During the course of this audit, the State Auditor's Office held status meetings with the municipal clerk's office in an effort to keep it informed as to the status of the audit. The status meetings were also conducted to provide YMCO necessary information so it could begin implementing various recommendations prior to the completion of the engagement. As a result of these meetings, YMCO has begun collecting monies utilizing financial transaction devices (credit cards).

*Internal Controls Over Daily Collections*

F3.7 When an individual is required to pay fines/fees at the municipal clerk's office, they go to the counter and wait for a deputy clerk to assist them. There are two deputy clerks assigned to handle the counter in the criminal division and one deputy clerk in the civil division. In addition, there are two cash drawers in the criminal division and one cash drawer in the civil division. The deputy clerks are not assigned to a specific cash drawer.

Throughout the day, the assigned deputy clerks will take breaks or will be busy with customers while other customers are waiting in line. In this event, other deputy clerks within the division will assist those at the counter and use the same cash drawers. Therefore, at any moment, several individuals can be working out of the same cash drawer. Furthermore, there are no control methods in place to provide accountability over the use of cash drawers by each of the different deputy clerks.

**R3.5** The municipal clerk's office should implement control procedures which assign specific people to customer assistance at the counter. In addition, the deputy clerks who are assisting customers should be assigned a cash drawer. A deputy clerk should only use the cash drawer which they have been assigned. No deputy clerk other than those assigned should be assisting customers. While this may cause customers to become frustrated while waiting for assistance, these controls will provide a segregation of duties in the collection of monies and accountability procedures of monies collected by each of the deputy clerks.

During the course of this audit, the State Auditor's Office held status meetings with the municipal clerk's office in an effort keep it informed as to the status of the audit. The status meetings were also conducted to provide YMCO necessary information so it could begin implementing various recommendations prior to the completion of the engagement. As a result of these meetings, the municipal clerk's office has assigned cash drawers to specific deputy clerks in the criminal division who are responsible for customer assistance. No individual is to operate from a cash drawer which they are not assigned. However, this recommendation has not been implemented in the civil division.

F3.8 In addition to the joint-usage of cash drawers by deputy clerks, there are no security measures in place which would allow for the safekeeping of cash after it has been collected and placed in the cash drawer. The only security measure which exists is the placement of the cash drawers in front of all deputy clerks. This allows each deputy clerk the opportunity to see who is accessing each of the cash drawers.

**R3.6** In addition to **R3.5**, YMCO should implement security measures over the cash drawers including the utilization of locks when the cash drawers are left unattended. These security measures will limit access to the cash drawers to only those individuals with the proper authorization.

- F3.9 In March 1998, a contract was entered into between the municipal clerk's office and GBS Computer & Communication Systems, Inc. (GBS)(see the **technology** section of this report). The purpose of this contract was to computerize the municipal clerk's office in an effort to enhance operations and maximize the efficiency and communication between the municipal clerk's office, the municipal court and various outside agencies.

During the development of the software and completion of the contract by GBS, the previous clerk of court requested an override function on the automatic numbering system of receipts. This function was requested as a convenience to YMCO for the cases which had not been entered into the GBS software. The override function allows the municipal clerk's office to collect monies from those years where the case information has not been entered into the computer system. After the case information has been entered into the system, the municipal clerk's office can enter the manual receipt information into the computer and the computer generated receipt can be correctly prepared as if there had been no manual process. Because no information is required to be entered into the system to generate a receipt, this manual process allows for monies to be misapplied and misappropriated. GBS indicated to the State Auditor's Office (AOS) that it had advised YMCO against providing this capability to the municipal clerk's office due to the impact on control procedures.

- R3.7** YMCO should discuss with GBS the removal of this function from all software applications. The use of this function limits the control over the receipting of cash and allows for the potential of misapplying and misappropriating funds. All new cases should be entered into the software system in a timely manner which would allow the case history and other important information to be available on demand.

During the course of this audit, the State Auditor's Office held status meetings with the municipal clerk's office in an effort to keep it informed as to the status of the audit. The status meetings were also conducted to provide YMCO necessary information so it could begin implementing various recommendations prior to the completion of the engagement. As a result of these meetings, the municipal clerk's office has had GBS remove the override function on the automatic numbering system of receipts.

- F3.10 GBS has included in the criminal/traffic software module the ability to track bonds from receipt to disbursement. However, this system has not been implemented into the daily operations within the municipal clerk's office. The municipal clerk's office has indicated that the software modifications will be completed by September 1, 2000. See the **criminal** section of this report for further discussion on the utilization of the bond receipting and disbursing functions.

### *Internal Controls over Reconciliations*

F3.11 At the end of the business day, the cash drawers are counted and reconciled to the duplicate receipts which are generated at the conclusion of each transaction. The chief bookkeeper is the only individual who counts the cash drawers. If there is a problem reconciling the daily collections, then the chief bookkeeper will seek help from one of the assistants. If there are no problems, no one else is required to verify that the cash drawers reconcile with the receipts.

The municipal clerk's office does not have a formal policy as to how cash shortages are handled. However, it has been indicated that for any shortages, the deputy clerk's working within the division must contribute their own monies to make up the variance. The City of Youngstown does have a policy for overages and shortages; however, the municipal clerk's office has not adopted it into its daily operations.

**R3.8** The municipal clerk's office should implement reconciliation procedures which provide an accountability over daily cash collections. These procedures could require the deputy clerks to balance their own cash drawers and sign the cash drawer report indicating that the cash drawer balances (F3.12). Then, an individual within the bookkeeping division of the municipal clerk's office should also balance the cash drawer and sign the cash drawer report as evidence that the cash drawer balances (F3.12). In addition, the municipal clerk's office should rotate personnel within the bookkeeping division who count the cash drawer. Rotating personnel and implementing these daily reconciliation procedures will increase the controls over cash reconciliations and depositing.

In addition, YMCO should institute a policy regarding cash drawer variances. The policy should indicate what is to be done with a cash surplus within a cash drawer and the action to be taken if there is a deficit within a cash drawer. The policy should also outline the procedures to be taken if a deputy clerk has a perpetual problem of balancing their drawer on a daily basis. See the **criminal** section of this report for examples of potential policies and procedures which can be utilized.

F3.12 One function which was included in the software application supplied by GBS was the ability to run a report to reconcile individual cash drawers (see the **technology** section of this report). However, the chief bookkeeper indicated that this report is only utilized when there is a problem reconciling the cash drawers. If the cash drawers can be reconciled to the daily receipts without the use of this report, then the individual cash drawer reconciliation report is not utilized.

**R3.9** The bookkeeping division should reconcile the cash drawers to the daily reports which can be generated from the software applications. The computer generated reports are more

efficient and the information is less likely to be misplaced compared to the duplicate receipts. In addition, it increases accountability controls over cash collections.

During the course of this audit, the State Auditor's Office held status meetings with the municipal clerk's office in an effort to keep it informed as to the status of the audit. The status meetings were also conducted to provide YMCO necessary information so it could begin implementing various recommendations prior to the completion of the engagement. As a result of these meetings, the municipal clerk's office has started reconciling the cash drawers to the daily reports generated from the GBS software.

- F3.13 In addition to not utilizing the reports to complete the daily cash reconciliations (F3.12), the bookkeeping division is also balancing the cash drawers in the aggregate. The totals of all the cash drawers within a division are compared to the total amount of duplicate receipts to determine if the division balances.

**R3.10** YMCO should begin reconciling each drawer on an individual basis. Failure to reconcile each cash drawer individually increases the chances of an error being undetected. For example, if one cash drawer has a shortage of \$50, a second cash drawer has a surplus of \$15 and a third cash drawer has a surplus of \$35, all of these errors would not be detected. In contrast, reconciling the drawers individually to the reconciliation reports would decrease the likelihood of an error being undetected and increases employee accountability.

During the course of this audit, the State Auditor's Office held status meetings with the municipal clerk's office in an effort to keep it informed as to the status of the audit. The status meetings were also conducted to provide YMCO necessary information so it could begin implementing various recommendations prior to the completion of the engagement. As a result of these meetings, the municipal clerk's office has started reconciling the cash drawers on an individual basis.

- F3.14 The parking department is responsible for counting and reconciling its own cash drawer each day. Because it collects the majority of its cash by noon each day, the drawer is balanced at that time to a computer generated report and computer generated duplicate receipts.

After the drawer has been balanced, the amounts are recorded on a three-fold sheet titled "Parking Ticket Office - Daily Work Sheet." This sheet records and reconciles the total number of different tickets collected (\$5.00 tickets, \$10.00 tickets, etc.) to the total dollar amount collected. The sheet is signed by the deputy bailiff in charge of the parking ticket department. One copy is retained by the parking ticket department and the other two are sent to the chief bookkeeper along with the daily deposit.



The chief bookkeeper verifies the amount given for deposit and ensures that it agrees to the corresponding work sheet. In addition, the chief bookkeeper verifies that the amount of the deposit agrees to the total dollar amount of the tickets which were collected. After all is verified, the chief bookkeeper signs both copies of the daily work sheet given to her. One copy is kept by the chief bookkeeper and the other is returned to the parking ticket department.

**C3.2** The controls which the parking ticket division have in place over the daily reconciliation of the cash drawer allow for a proper segregation of duties between daily cash collections and depositing with the chief bookkeeper. Having the chief bookkeeper verify the amounts marked for deposit ensures that the total amount of the tickets collected equals the total amount actually submitted for deposit. In addition, having a record of the total receipts and signatures on it by the deputy bailiff and the chief bookkeeper provides a dual control over cash receipts and deposits.

**R3.11** The clerk of court should develop and implement reconciliation procedures comparable to those which exist in the parking department. These reconciliation procedures should require the deputy clerks to balance the individual cash drawers and sign a reconciliation form stating that the cash drawers balance. Personnel should then verify that the cash drawers balance and sign the reconciliation form. This reconciliation procedures decreases the opportunity for miscounting or theft. In addition, it shifts some of the responsibility for reconciliation to the deputy clerks rather than all responsibility being placed on the bookkeeping division.

F3.15 The chief bookkeeper within the municipal clerk's office is responsible for the monthly bank reconciliations of all bank accounts within YMCO. At the start of the engagement, the chief bookkeeper was approximately two months behind in completing the bank reconciliations. This was due, in part, because the chief bookkeeper was responsible for closing the books for the previous year as well as preparing necessary reports which could not be generated using the software applications supplied by GBS. As of the release date of this report, the municipal clerk's office is up-to-date in the monthly bank reconciliation process. The chief bookkeeper is not required to submit a copy of the bank reconciliations to the clerk of court after completion.

**R3.12** YMCO should implement a policy requiring that the chief bookkeeper sign all monthly bank reconciliations as evidence of completion and accuracy. In addition, copies of the monthly bank reconciliations should be given to the clerk of court for additional accountability procedures over operations within the bookkeeping division as well as the monitoring of cash flows. The clerk of court should also sign the monthly bank reconciliations as evidence of receiving in a timely manner and agreement with the financial information for YMCO. Furthermore, all bank reconciliations need to be completed on a monthly basis. If in the future the chief bookkeeper becomes late in performing reconciliations, the clerk of court

should take action to identify and rectify the issues preventing this function from being completed.

During the course of this audit, the State Auditor's Office held status meetings with the municipal clerk's office in an effort to keep it informed as to the status of the audit. The status meetings were also conducted to provide YMCO necessary information so it could begin implementing various recommendations prior to the completion of the engagement. As a result of these meetings, YMCO has implemented this recommendation by requiring the dual signatures on all bank reconciliations beginning in July, 2000.

### *Cash Deposits/Investments*

- F3.16 The municipal clerk's office is responsible for collecting monies for fines and fees attributable to the following types of cases: civil, criminal, small claims and trusteeship. In addition, YMCO handles the bank accounts for the traffic division which includes depositing the monies collected daily.

With the exception of monies collected in the parking and trusteeship divisions, the cash drawers are counted and balanced every evening. After the balancing is completed, the cash is placed into a safe. At approximately 2:00 PM on the following business day, one of the employees along with an officer from the City of Youngstown Police Department take the deposit from the previous day to the bank. The receipts are then stored within the bookkeeping division.

The parking division balances its cash drawer around noon each day. The reason for this is because the majority of the cash collected each day is collected during the morning hours. However, the money is not deposited at the bank until the employee in the municipal clerk's office takes the money on the following business day.

Monies collected within the trusteeship are kept in an envelope in an unsecure drawer. At the end of the day, the envelope is placed in the safe with the other monies within the municipal clerk's office. However, the cash from the trusteeship is not deposited daily like other monies collected in the municipal clerk's office. According to the municipal clerk's office, the cash collected from trusteeship is deposited approximately two times per week because the amounts collected daily are not considered material as indicated by the municipal clerk's office.

**R3.13** YMCO should implement appropriate controls to assure that all monies are deposited with a financial institution every 24 hours. This will help to ensure availability and security. The following two procedures are potential options for the municipal clerk's office:

- The deposit should be taken to the financial institution in the morning on the following business day.
- The deposit should be taken to the financial institution after each work day and placed in the night drop.

In addition, a copy of all daily deposits should be given to the clerk of court. This will assist the clerk of court in correctly monitoring the deposits of the municipal clerk's office and provide better assurance as to the accuracy of the monthly bank reconciliations (**R3.12**).

During the course of this audit, the State Auditor's Office held status meetings with the municipal clerk's office in an effort to keep it informed as to the status of the audit. The status meetings were also conducted to provide YMCO necessary information so it could begin implementing various recommendations prior to the completion of the engagement. As a result of these meetings, the clerk of court has been receiving a copy of all daily deposits since March, 2000.

F3.17 **Table 3-3** shows the balance of all bank accounts which YMCO had as of December 31, 1999.

**Table3-3: YMCO Bank Account Balances**

Division/Department	Type of Account	Balance as of 12/31/99	Interest Earned in 1999	Estimated Interest Rate Received
Criminal	Checking Account	\$144,697	\$2,494	1.7%
Civil/Deposits <sup>1</sup>	Checking Account	\$49,149	\$489	1.0%
Civil/Garnishments	Checking Account	\$20,219	\$450	2.2%
Civil/Landlord Tenant	Checking Account	\$4,611	\$39	0.8%
Civil/Small Claims	Checking Account	\$3,039	\$37	1.2%
Civil/Trusteeship	Checking Account	\$7,149	\$92	1.3%
Parking	Checking Account	\$22,540	\$171	0.8%
<b>Totals</b>		<b>\$251,404</b>	<b>\$3,772</b>	<b>1.5%</b>

Source: YMCO bookkeeping division

<sup>1</sup> This account is used for the court costs which are associated with the civil division. These monies are eventually remitted to City of Youngstown finance department on a monthly basis.

The municipal clerk's office does not have an investment policy. An investment policy is a valuable tool to an entity because of the information and guidance which it provides in the area of investing and depositing of monies.

**R3.14** The municipal clerk's office should create an investment policy that provides guidelines to be followed when investing monies received. Some of the information in the investment policy should include, but not be limited to the following:

- The people who are permitted to conduct investments
- The type of investment accounts (savings, checking, certificates of deposits) which will be utilized
- The maximum amounts which can be invested at a particular time
- The type of monies which can be invested (civil, criminal, parking, trusteeship)
- When monies can be placed into an investment account
- The length of the investment

F3.18 According to ORC §1901.31(G), all monies received by a municipal clerk's office must be deposited into a state or federal financial institution. In addition, the monies must be deposited into depository accounts. Depository accounts have been defined to be savings accounts, checking accounts and certificates of deposits (CDs). Currently, there is no legislation which allows a municipal clerk's office to deposit monies into STAR Ohio.

As indicated in **Table 3-3**, the total interest earned by YMCO during CY 1999 was \$3,772 and the estimated interest rate received was 1.5 percent. In contrast, the average rate currently (August 2000) offered by financial institutions throughout the country for a one-year CD is 5.5 percent.

**R3.15** In order to maximize interest revenues in a year, YMCO should conduct an analysis on the cash needs within each department and division in the municipal clerk's office to determine if investments in higher interest bearing accounts would be more beneficial. YMCO earned an estimated interest rate of 1.5 percent during 1999.

*Financial Implication:* Assuming the ability to invest approximately \$40,000 to \$60,000 per year in a one year CD, the municipal clerk's office could realize additional investment revenues of approximately \$2,200 to \$3,300 per year.

During the course of this audit, the State Auditor's Office held status meetings with the municipal clerk's office in an effort to keep it informed as to the status of the audit. The status meetings were also conducted to provide YMCO necessary information so it could begin implementing various recommendations prior to the completion of the engagement. As a result of these meetings, the municipal clerk's office has negotiated with its financial institution and all fees will be eliminated from future daily transactions. In addition, the

municipal clerk's office will be receiving an interest rate of 5.46 percent and the projected interest revenue is approximately \$4,200.

### *Internal Controls for Purchasing/Cash Disbursements*

F3.19 GBS provided copies of all invoices which were sent to YMCO from the time the contract was signed until March 30, 2000. An analysis of the invoices provided by GBS indicated that some work that was performed was the result of a "verbal agreement" between GBS and personnel at YMCO. The estimated total of these invoices is \$1,800 including one invoice of \$1,380 which was the result of a verbal agreement with the prior clerk of court. Ohio Revised Code (ORC) §5705.41(D) states, "No subdivision or taxing unit shall make any contract or give any order involving the expenditure of money unless there is attached thereto a certificate of the fiscal officer of the subdivision that the amount required to meet the obligation, or in the case of a continuing contract to be performed in whole or in part in an ensuing year, the amount required to meet the obligation in the fiscal year in which the contract is made, has been lawfully appropriated for such purpose and is in the treasury or in process of collection to the credit of an appropriate fund free from any previous encumbrances."

The purchasing policies for the municipal clerk's office fall under the jurisdiction of the City of Youngstown. A review of the **procurement** section of the **City of Youngstown Performance Audit** (released on January 3, 2000) revealed that the City of Youngstown (City) does not have formal City Council approved purchasing policies. Each department in the City is responsible for the acquisition of goods and services that do not require formal bidding. In the **procurement** section of the **City of Youngstown Performance Audit**, a recommendation was made to the City to implement a centralized purchasing process or if a centralized purchasing process was determined to not be feasible, then the current decentralized purchasing process should be redesigned. In addition, the City was also given a recommendation to develop a comprehensive purchasing manual in an effort to assist users in complying with adopted policies and procedures. On June 15, 2000, the purchasing agent in the finance department for the City indicated that no changes have been made in the procurement practices of the City of Youngstown. If implemented, the recommendations from the prior performance audit would have prevented the verbal purchase agreements with GBS.

F3.20 Under the current purchasing practices of the City, the requisition/purchase order is completed after an invoice has been received. The clerk of courts' signature is required on the requisition giving authorization for payment to be made by the finance department. However, there are no notations made on the invoice or on the requisition stating whether the goods have been received.

According to the **procurement** section of the **City of Youngstown Performance Audit**, the City's current practice does not require departments to submit documentation that ordered goods have been received. In processing vendor payments, the finance department assumes that if the purchase order was signed by the department head, the goods must have been received. By utilizing this practice, the potential exists that the City could make a payment for goods which have been received in insufficient quantity, received in an unsatisfactory condition or possibly not received at all.

In March 1998, YMCO entered into a contract with GBS Computer and Communication Systems, Inc. (GBS). The purpose of the contract was to computerize the operations of the municipal clerk's office and the City of Youngstown Municipal Court. As stated in the **technology** section of this report, YMCO has completely paid for the services contained within the contract. However, as of June 30, 2000, GBS has yet to complete significant provisions of this contract.

**R3.16** Although the City of Youngstown's finance department does not require documentation to provide support that ordered products or services were received in a satisfactory condition, YMCO should implement internal procedures to strengthen controls over its vendor payment functions. In implementing this recommendation, the municipal clerk's office should inspect the goods or services received, compare them to the ordered goods or services and ensure that YMCO has taken receipt in satisfactory condition and in proper working order. In addition, the individual who received and inspected the delivered goods should sign and date the invoice. Rather than basing vendor payments on broad assumptions, this would provide the administration of the municipal clerk's office and the City of Youngstown's finance department with evidence that the goods were delivered in a satisfactory condition and that someone inspected and signed for them at the time of delivery. Furthermore, had this recommendation been in place at the time the GBS contract was signed, YMCO probably would not be encountering its current contract compliance difficulties.

F3.21 When monies are received by the municipal clerk's office, YMCO must remit these monies to various entities. The bookkeeping department within the municipal clerk's office is responsible for making these remittances. All checks are manually prepared for these disbursements and require the signature of the Youngstown Municipal Clerk of Court in order to be negotiable. However, if the clerk of court is unavailable, the chief bookkeeper is also permitted to sign the checks. During the day, the checks are not maintained in a secure environment which would prevent unauthorized access. During the evening hours, the monies are stored in a safe within the municipal clerk's office. There are at least three individuals who have the ability to open the safe including one employee who does not work within the bookkeeping department.

**R3.17** YMCO should implement procedures and controls over the financial securities (checks) in the possession of the municipal clerk's office. Failure to have appropriate controls in place

increases the possibility of theft of governmental funds. The control and security measures should include tracking the inventory of unused checks to determine that there are no missing checks, limiting access to the check books during the day by locking it in a drawer and implementing the use of check writing software (see **F7.18** and **R7.10** in the **technology** section).

In addition, the municipal clerk's office should limit the number of people who have access to the financial securities within the safe. Limiting the number of people who have access increases the responsibility of the individuals who have the authorized access. The following two procedures are potential options for the municipal clerk's office to limit the accessibility to the financial securities within the safe:

- The municipal clerk's office could minimize the number of individuals who have knowledge of the combination to the safe.
- The municipal clerk's office could utilize dual control procedures comparable to those used by financial institutions which include needing two people in order to open the safe.

## **Financial Implications Summary**

The following table is a summary of estimated annual additional revenues from the aforementioned recommendations.

<b>Recommendation</b>	<b>Estimated Annual Additional Revenues</b>
<b>R3.15 Investing in higher, interest-bearing accounts</b>	\$2,200 - \$3,300
<b>Total</b>	<b>\$2,200 - \$3,300</b>



## **Conclusion Statement**

If the City of Youngstown Municipal Clerk of Court's Office (YMCO or municipal clerk's office) wants to be assured that cash and financial securities are being accurately accounted for and that there are minimal opportunities for misappropriation, then significant changes need to take place with the internal controls at the municipal clerk's office. Specifically, the municipal clerk's office needs to enhance its internal controls over the following functions: cash receipts, daily reconciliations, monthly reconciliations and purchasing.

Under the current organizational structure, the bookkeeping division is responsible for all cash management functions within the municipal clerk's office after cash has been received by the counter clerks. However, it is also responsible for acting as the counter clerk as well as completing all cash management functions for landlord/tenant cases. This organizational structure decreases the amount of internal controls for landlord/tenant cases in regards to receipting, disbursing, record keeping and cash management. The municipal clerk's office should consider transferring the control of the landlord/tenant cases to the civil division within the municipal clerk's office.

There are no controls to prevent unauthorized access to the cash drawers and no controls to maintain accountability over cash during the cash receipt function within the municipal clerk's office. In addition, multiple deputy clerks operate out of a single cash drawer throughout a day which decreases the accountability over each deputy clerk. The bookkeeping division is responsible for conducting all daily reconciliations. The daily reconciliations are completed in the aggregate and compared to the duplicate receipts rather than to the report which can be generated from the software application. Furthermore, in the past, the monthly reconciliations were not completed in a timely manner and there were no accountability procedures in place over the bookkeeping division. YMCO should redesign its collection and daily reconciliation procedures to enhance internal controls. In addition, the municipal clerk's office should design proper controls to improve the accountability over the cash management functions within the bookkeeping division. These controls could include the clerk of courts involvement in the daily deposits and monthly bank reconciliations.

As indicated within this report and the performance audit on the City, the purchasing practices are not in compliance with Ohio Revised Code (ORC) §5705.41(D). However, YMCO should implement internal procedures to strengthen its controls over purchasing including the inspection of goods and services received. If purchasing policies had been implemented which were in compliance with ORC §5705.41(D), then it is likely that the municipal clerk's office would not have experienced the contract problems with GBS Computer and Communication Systems, Inc.

Although YMCO has experienced many problems regarding the cash management functions in its daily operations, it should be commended for the progress that has been made. YMCO has

implemented many of the recommendations within this report including stronger receipting and reconciliation procedures, verifying deposit slips and negotiating with the financial institution to obtain no fees and higher interest rates as well as more effective accountability procedures.

# **Parking Ticket Office**

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## **Background**

This section focuses on the parking ticket office of the City of Youngstown Municipal Clerk of Court's Office (YMCO or municipal clerk's office) and includes a staffing analysis, a review of the fine payment process and the fine distribution process, an assessment to determine the current amount of uncollected parking fines and an examination of the policies and procedures addressing the parking ticket office's daily operations and its use of technology. Peer clerk of court operations were analyzed for practices which could potentially benefit the municipal clerk's office. In addition, a review was completed to determine the responsibility of parking ticket collections in the clerk of court's office. Traffic tickets are not handled by the parking ticket office because they involve driver's licenses and, therefore, fall under the criminal division.

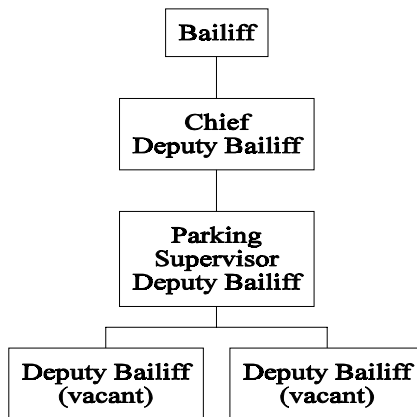
### *Organization*

The parking ticket office of the Youngstown Municipal Court was established in 1952 under the bailiff's jurisdiction. In October 1999, a formal journal entry was issued allowing the transfer of responsibility to the YMCO. However, as of July 2000, the parking ticket office was still under the direction of the bailiff's office and was staffed by one deputy bailiff and one deputy clerk from the YMCO.

Organization Structure

Chart 4-1 illustrates the parking office as it existed under the bailiff's office.

**Chart 4-1: Parking Ticket Office - Bailiff (FY 1999)**



Operating Statistics

Table 4-1 shows the total amount of fines and fees assessed and collected for calendar year 1999.

**Table 4-1: CY 1999 Parking Ticket Office**

Parking Ticket Penalties Assessed <sup>1</sup>	Parking Ticket Penalties Collected or Dismissed <sup>2</sup>	Parking Ticket Penalties Uncollected <sup>1</sup>	Percent of Parking Penalties Collected	Percent of Parking Penalties Uncollected
\$504,702	\$162,935	\$341,767	32 %	68%

Source: Youngstown Clerk of Courts 1999 year-end report

<sup>1</sup> The Youngstown Courts' bailiff office could not supply the necessary data to complete this table. The parking ticket office's 1999 ledger book was used by Auditor of State's office to estimate the number of tickets assessed. In addition, the penalty dollars assessed were estimated using the average dollar collected plus the \$50.00 warrant fee (F4.1).

<sup>2</sup> Municipal Court of Youngstown, Clerk of Court's "Report for the Year 1999 Criminal Branch and Civil Branch"

### *Operational Summary*

The parking ticket office, within the bailiff's area, is responsible for receiving and collecting all costs, fees, fines, penalties and other monies payable to the Youngstown Municipal Court for parking tickets and the issuing of receipts. The jurisdiction of the parking ticket office is the City of Youngstown. Persons authorized to issue parking tickets within this jurisdiction are contracted ticket writers/coin collectors (AMPCO), the City of Youngstown Police Department and the Youngstown State University Police Department. When a parking ticket is written, a copy of the ticket is submitted by the issuing agency to the parking ticket office each morning for input into the computer system. In general, AMPCO accounts for 75 percent of the parking tickets issued within the City of Youngstown with the City of Youngstown Police Department accounting for another 20 percent and the Youngstown State University Police Department accounting for the remaining five percent. Other than functioning as the collection authority for the City, there is no structured relationship between the bailiff's parking ticket office and those agencies that are responsible for writing parking tickets. Tickets can only be dismissed by a judge or magistrate through a contested ticket traffic court hearing.

In general, the daily operations of the parking ticket office begin each morning when the deputy bailiff checks for any arrests made on parking ticket warrants. If an arrest took place, the warrant is removed from the computer, the parking ticket(s) is pulled and verified for non-payment and then the packet is turned over to the YMCO for processing. Additionally, other daily activities of the parking ticket office include opening the mail and applying payments to outstanding parking tickets, entering information into the computer system and into a manual ledger from the parking tickets issued during the previous day, collecting payments from individuals paying their fines at the counter and issuing receipts, collecting on delinquent parking ticket fines, and reconciling the parking ticket cash drawer.

*Performance Measures*

The following is a list of performance measures that were used to conduct the review of the parking ticket office at the YMCO:

- Determine the authority for the collection of parking tickets within the clerk of court's office
- Assess the daily operation of the parking ticket office
- Determine the jurisdiction for the parking ticket office
- Assess the number of employees assigned to the parking ticket office
- Evaluate parking ticket payment methods
- Analyze the success rate of parking ticket collections
- Assess parking ticket collection processes
- Assess parking ticket violation costs compared to its peer parking ticket offices
- Assess the fine distribution process
- Determine the use of technology in the parking ticket office

## Findings / Commendations / Recommendations

### Collections

F4.1 In January 1991, the municipal court judges adopted a motion which stated that individuals with unpaid parking tickets could have warrants for their arrest issued against them. When a warrant is issued, a \$50.00 warrant fee is also assessed against that person. In May 1992, the Youngstown judges adopted another motion stating that in the event a parking ticket is not paid in the prescribed 30-day period, the offender will be assessed a \$20.00 late penalty fee and a warrant for the offender's arrest will be automatically issued including the \$50.00 warrant fee.

The bailiff's parking ticket office has estimated that approximately 4,000 parking tickets remain unpaid, with the oldest unpaid parking ticket being over 10 years old. However, the bailiff's office could not provide documentation to support their estimate. The Auditor of State's office reviewed the bailiff's 1999 parking ticket ledger book which records all parking tickets issued including payment and dismissal information. It was estimated in April 2000, by the Auditor of State's office, that for 1999, approximately 5,300 parking tickets remain unpaid.

F4.2 **Table 4-2** illustrates the collection percentages for the parking ticket office as compared to its peers.

**Table 4-2: Parking Ticket Collection Rate**

FY 1999	Youngstown	Canton	Elyria	Lima	Peer Average
<b>Number of parking tickets issued</b>	16,347	25,869	1,981	4,668	12,216
<b>Total fines and costs assessed<sup>1</sup></b>	\$504,702	\$154,016	\$37,877	\$49,600	\$186,549
<b>Total amount collected</b>	\$162,935	\$94,236	\$30,482	\$22,062	\$77,429
<b>Percent of amount collected</b>	32%	61%	80%	44%	54%

Sources: Clerks of Courts 1999 year-end reports

<sup>1</sup> The Youngstown Courts' bailiff office could not supply the necessary data to complete this table. The parking ticket office's 1999 ledger book was used by Auditor of State's office to estimate the number of tickets assessed and unpaid. The fines and costs were estimated using the average dollar collected plus the \$50.00 warrant fee (F4.1).

Youngstown's Municipal Court's bailiff's office has the lowest percent of collections of the peers. The low collection rate can primarily be attributed to the bailiff's office discontinuing its collection practices in October 1998. Although Canton issued more tickets than Youngstown, its assessments were significantly lower due to a lower parking ticket fine and

fee schedule. Additionally, of the peers, Youngstown is the only municipality that assesses a \$50.00 warrant fee to the delinquent parking tickets. See **Table 4-4** for a comparison of the parking ticket fine and fee schedules among the peers.

Because the bailiff's office has never monitored or tracked their collection rate, they cannot accurately determine how successful they are in collecting fines and costs. In addition, goals regarding the collection of fines and costs have not been established within the parking ticket office. Established goals could help to stress the importance of collecting fines and costs to the parking ticket office staff and provide the office with achievable and objective goals.

**R4.1** The parking ticket office should begin to monitor and track the collection rate. The supervisor of the criminal division, along with the clerk, should be responsible for establishing feasible and quantifiable goals regarding the collection of fines and costs which will give the parking ticket office something to strive to achieve.

F4.3 The parking ticket office, under the supervision of the bailiff's office, discontinued its procedure for the collection of past-due parking tickets in October 1998. Previous to October 1998, the parking ticket office's collection procedure consisted of the following:

- Sending a computer generated letter advising the violator that their ticket was 30 days past-due and that a late penalty was added.
- Sending a postal card advising the violator that this was the final notice and, if payment was not received, their case would be turned over to a collections agency.
- Running the license plate through the LEADS machine to obtain a social security number, name, address and other pertinent information. After the information is obtained, a parking ticket warrant was issued on the violators and then the information was turned over to an attorney for collection.

All of these actions were completed as time and management allowed. The last time the bailiff's parking ticket office took a proactive approach in the collection of unpaid parking tickets was in 1991. A legal notice was placed in the *Youngstown Vindicator* in January 1991, creating a 60 day amnesty program. During the amnesty program, if a defendant paid all existing parking fees and late fines and if a warrant existed, the warrant and warrant fee would be canceled. In addition, if a defendant was apprehended in accordance with an existing parking ticket warrant, the defendant could post bond in the amount of the parking fine and late fees, and be released. The following day, the judges made an entry to dismiss the warrant and the bond was applied to the parking fines and late fees owed. However, there is nothing in the records that indicates the success rate of the 1991 moratorium.

F4.4 **Table 4-3** shows the number of parking tickets collected by the bailiff's parking ticket office in 1999.



**Table 4-3: 1999 Municipal Court of Youngstown Parking Ticket Collections**

Number of Tickets		Fine Amount	Total Amount Collected
Parking	10	\$5.00	\$50
Parking	7,788	\$10.00	\$77,880
Parking	1	\$15.00	\$15
Parking	1,913	\$20.00	\$38,260
Parking	9	\$25.00	\$225
Parking	1,492	\$30.00	\$44,760
Handicapped	27	\$25.00	\$675
Handicapped	6	\$50.00	\$300
Parking Warrants	11	\$50.00	\$550
Collection Fees	11	\$20.00	\$220
<b>Total</b>	<b>11,268</b>	N/A	<b>\$162,935</b>

Source: Municipal Court of Youngstown, Clerk of Court's "Report for Year 1999 Criminal Branch and Civil Branch"

Because YMCO only collected 11 parking warrants and 11 collection fees in 1999, it does not appear that the parking ticket office followed the judges' motion to assess a \$20.00 late fee and the automatic warrant, with an additional \$50.00 fee. This can be partially attributed to the informal collection procedures within the parking ticket office as well as discontinuing all collection efforts in October 1998.

**R4.2** YMCO should institute a formal collections procedure for the parking ticket office utilizing its computer system. The system should be able to automatically generate letters on a daily basis notifying persons whose parking tickets are 15 days overdue. In addition, a second notice should be sent out at 30 days and a warrant should be issued. At 60 days, garnishment proceedings should begin (ORC 2716.041). Also, in the community's best interest, a legal notice should be placed in the *Youngstown Vindicator* stating the new procedures, as was done in January 1991. Also, if YMCO should implement an amnesty program, it should track the success rate in order to determine if future amnesties would be worthwhile.

During the course of this audit, the State Auditor's office held status meetings with the municipal clerk's office in an effort to keep them informed as to the status of the audit and to provide them with the information necessary to allow them to begin implementing various recommendations prior to the completion of this engagement. As a result of these meetings, the clerk of court has hired a financial enforcement officer and a deputy clerk who is LEADS

certified. Part of the financial enforcement officer's duties is to develop a formal collections procedure for parking tickets.

F4.5 As noted in **Table 4-1**, it is estimated that approximately \$340,000 in unpaid parking tickets and warrants are outstanding for 1999. Based on the figures, it is estimated that between \$700,000 and \$1.0 million of unpaid parking tickets and warrants are outstanding from 1995 through 1999. Since 1998, the parking ticket office has made minimal efforts to collect on these delinquent amounts. The **criminal division** section within this performance audit includes a thorough discussion of a variety of methods and strategies for collecting on delinquent accounts. Certain techniques and strategies that may benefit the parking ticket office include the following:

- Maximize the City's use of the compact procedures program. The compact procedures program is a national program designed to collect fines from out of state offenders by suspending the offender's driver's license. The program is used in 48 out of 50 states. **(F5.10)**
- Implement the use of block warrants which will prohibit an individual from renewing their driver's license and license plates until they pay the past-due fines. **(F5.9)**
- Utilize techniques such as listing the top parking ticket violators in the local newspaper
- Implement the use of a tow list for multiple parking ticket violators

**R4.3** Because parking tickets represent a source of revenue for the City, YMCO should consider utilizing some of methods noted above for collecting on delinquent parking tickets. By enforcing the parking ticket violations through the use of these collection techniques, not only should the delinquent parking ticket collections improve, but the number of individuals violating the City's parking ordinances should also decrease.

*Financial Implication:* If the parking ticket office implements the recommendations listed throughout this report and therefore, improves operations on an ongoing basis, it is estimated that the YMCO has the potential to increase parking ticket collections by approximately \$78,000 based on the composite peer collection average of 54 percent. Additionally, by issuing block warrants to collect on past-due fines, it is estimated that the clerk's office could potentially collect a one-time amount of delinquent payments of approximately \$340,000 based on the collection success rate of Lima.

During the course of this audit, the State Auditor's office held status meetings with the municipal clerk's office in an effort to keep them informed as to the status of the audit and to provide them with the information necessary to allow them to begin implementing various recommendations prior to the completion of this engagement. As a result of these meetings, the clerk of court has taken actions to address this recommendation. These actions include

a presentation and proposal to the judges. Since the proposed actions need judicial approval, the clerk has not been able to make the implementations.

- F4.6 The parking ticket office, under the bailiff's jurisdiction, utilized the service of an attorney for the collection of past-due parking ticket fines. The court used the same attorney that is engaged by the City of Youngstown. The attorney's collection fee is 23 percent. However, in January, 2000, the attorney's office made a verbal proposal to increase the rate to 30 percent. From 1992 through 1999, the attorney's office collected approximately \$302,000 in parking fines and fees.

Past-due collection procedures included a past-due letter and postal card being sent to the parking ticket violator. If the parking ticket remained unpaid for a period of time, the past-due parking ticket violator's case was turned over to an attorney. The attorney's office procedure was to issue a letter within seven days of receipt of the case. If the violator had not responded after 30 days, a second letter was sent. If a payment still was not received, then a credit report was run on the person in an attempt to find an updated address and/or a current place of employment. If the judge was in agreement, they would then proceed with a wage garnishment or a debtor's hearing.

- R4.4** Prior to turning over the unpaid parking tickets to the attorney's office for collection, the parking ticket office should utilize the process noted in **R4.2**. However, in order to show fairness to all attorneys and collection agencies in the Youngstown area, a request for proposal (RFP) should be completed on the requested collection process and then the RFP should be publicly advertised as per the City of Youngstown's procurement procedures. Canton utilizes a collection agency which charges \$11.00 for each delinquent case successfully collected.

- F4.7 Currently, there are no policies or procedures allowing the parking ticket office to write-off uncollectible parking ticket fines and fees. As each past-due ticket keeps getting older, the possibility of the fine being paid diminishes. The parking ticket office's current practice is to file away very old unpaid parking tickets. The last journal entry to cancel parking tickets was August 31, 1995. This journal entry resulted in 22 tickets being dismissed from 1995, 3 tickets from 1994 and 5 tickets from 1993. Elyria cancels past-due parking tickets after six months, if the violator has not received another parking ticket.

- R4.5** YMCO should exhaust all efforts to collect a past-due parking ticket, including the use of an outside service. However, YMCO should have a policy that states when a past-due parking ticket will be canceled. The policy should include internal collection methods, external collection methods and a delinquent parking ticket write-off procedure. This procedure would limit the number of days that the outside service would have the case and entice the outside service to move more rapidly on their collection efforts.

Parking Ticket Fines

F4.8 **Table 4-4** indicates the cost of parking ticket violation fines for the City of Youngstown and three peer cities. The fines listed are shown at their original assessment and then the escalation for late payment by the number of days past-due.

**Table 4-4: FY 1999 Parking Ticket Fines - Peer Comparison**

	1999	Youngstown	Canton <sup>1</sup>	Elyria <sup>2</sup>	Lima
I.	Parking meter violation	\$10.00	\$5.00	\$10.00	\$7.00
	Parking meter (after 1 day)	N/A	\$5.00	\$20.00	N/A
	Parking meter violation (after 3 days)	N/A	\$10.00	N/A	N/A
	Parking meter violation (after 10 days)	\$20.00	N/A	N/A	\$15.00
	Parking meter violation (after 30 days)	\$30.00	N/A	N/A	\$25.00
II.	Illegal parking violation	\$10.00	\$5.00	\$15.00	\$10.00
	Illegal parking violation (after 1 day)	N/A	N/A	\$25.00	N/A
	Illegal parking violation (after 3 days)	N/A	\$10.00	N/A	N/A
	Illegal parking violation (after 10 days)	\$20.00	N/A	N/A	\$20.00
	Illegal parking violation (after 30 days)	\$30.00	N/A	N/A	\$30.00
III.	Handicapped parking violation	\$25.00	\$50.00	Must Appear	\$30.00
	Handicapped parking violation (after 1 day)	N/A	N/A	Must Appear	N/A
	Handicapped parking violation (after 10 days)	\$50.00	N/A	N/A	\$40.00
	Handicapped zone violation (after 30 days)	N/A	N/A	N/A	\$50.00
IV.	Cost of warrant issued for unpaid parking tickets	\$50.00	N/A	N/A	\$0 <sup>3</sup>

**Source:** Parking ticket offices

N/A = Not applicable

<sup>1</sup> Canton's parking office is under the jurisdiction of the Canton Police Department.

<sup>2</sup> Elyria's parking fines, except for overtime parking, are \$15.00 and \$25.00 after 24 hours.

<sup>3</sup> Lima's bond is for the accumulative unpaid costs of the parking ticket

Youngstown's fines are generally in line with its peer cities. However, the fee schedule for late payment in Youngstown is more aggressive than its peers. Youngstown has the highest fines and fees for parking meter violations when considering late payment fees. For illegal parking and handicapped violations, Youngstown is similar to its peers in terms of fines and fees when considering late payments.

To help with collecting unpaid parking tickets, only Youngstown issues parking ticket arrest warrants accompanied with a \$50.00 warrant fee. While Lima issues a summons, its bond is set at the accumulative cost of the unpaid fines and fees. However, while Youngstown issues parking ticket warrants, it does not appear that the process is effective as the bailiff's parking ticket office only collected 11 parking ticket arrest warrants in 1999. See **R4.2** for further discussion on parking ticket warrants.

*Operations:*

F4.9 The operations of the parking ticket office includes the opening of mail and applying payments to outstanding parking tickets. The payment information is entered into the computer and a receipt is generated. Incorrectly paid parking tickets are handled on an exception basis until the matter is resolved. Each day, after the mail payments are completed, the cash drawer is balanced using a worksheet, and the money is taken to the chief bookkeeper in the YMCO office. The receipts are then marked off in a ledger book. All parking tickets issued the previous day are entered into both the computer and ledger book. The parking ticket office maintains information in the ledger as a backup procedure due to a lack of comfort with the computer system.

**C4.1** The daily procedure of using a worksheet to balance and transfer parking ticket payments is a sound business practice. The daily balancing of the cash drawer ensures the cash integrity of the parking ticket office.

**R4.6** YMCO should discontinue the use of the ledger book in the parking office. The duplication of effort between the ledger and computer is not an efficient use of resources. Other computer back-up procedures should be considered such as the use of diskettes and the printing and storing of daily reports. See the **technology section** of this report for further discussion on computer file backup procedures.

F4.10 The bailiff's office and the YMCO take payments for parking ticket fines in cash or checks only. The parking ticket office is open Monday through Friday, 8 a.m. to 4 p.m. Violators who receive a parking ticket may also mail in their payment using an attached self-addressed envelope. All monies received by the parking ticket office, including any interest, is remitted to the City of Youngstown.

**C4.2** The use of a self-addressed payment envelope for the mail-in of parking fines provides the violator with an easy and accessible method to pay their parking fine.

F4.11 On October 22, 1999, the judges adopted journal entry number 42 which allows for the payment of parking tickets by credit card along with fines, court costs and other financial assessments. In addition, the judges ordered an administrative handling fee of \$5.00 per financial transaction. Although the judges have issued a journal entry allowing for credit card payments, the bailiff's office and YMCO have not yet implemented the function into the daily operation of the parking ticket office.

**R4.7** YMCO should include the use of credit/debit card machines in their collection procedures. The use of these devices will allow an additional, convenient method for the payment of fines, at a minimum cost to the courts. Currently, other divisions of the YMCO already use the credit/debit card machines. For further information on financial transaction devices, please see the **cash management** section of this report.

During the course of this audit, the State Auditor's office held status meetings with the municipal clerk's office in an effort to keep them informed as to the status of the audit and to provide them with the information necessary to allow them to begin implementing various recommendations prior to the completion of this engagement. As a result of these meetings, the clerk of court has begun accepting credit card payments for parking ticket fines.

F4.12 Parking tickets are distributed by the City of Youngstown's Police Department to its own department, contracted ticket writer/coin collectors (AMPCO) and the Youngstown State University Police Department. The parking tickets are pre-numbered and when they are dispensed, the numbers are entered in a control log. As time permits, the sequentially numbered parking tickets that are filed are reviewed by the deputy bailiff for potential missing tickets. A missing tickets list is generated and sent over to the chief of police for reconciliation. The missing tickets, or copies, are returned to the parking ticket office by the chief of police.

**R4.8** YMCO should reconcile parking tickets on a monthly basis to identify those parking tickets which are missing. The parking ticket office could accomplish this reconciliation by using the capabilities of its computer system to identify missing parking tickets. By using the computer system to reconcile the parking tickets, YMCO will ensure that all tickets have been accounted for and an accurate amount of parking ticket fines owed to the City will be known.

F4.13 Parking meter collections are completed by an outside service (AMPCO). The contract is managed through the City of Youngstown's Traffic Engineering Department. The contract was first bid in 1986 and re-bid in 1993. Since the expiration date in 1995, the contract has been kept in force with three-month extensions and has not been competitively bid. The last

extension by the Youngstown Board of Control was on June 30, 2000 for an additional three months.

In January 2000, the Auditor of State office completed a performance audit for the City of Youngstown. In the performance audit report, there is a complete section outlining various recommendations for improving the city's purchasing practices.

### *Organization and Staffing*

F4.14 The current parking ticket office operation falls under the direction of the Youngstown Municipal Courts' bailiff's office. The authority granting responsibility for the parking ticket office to the bailiff's office is recorded in journal entry case number 136910, January 11, 1952. On October 22, 1999, court journal entry number 42 transferred the parking ticket office to the YMCO effective November 1, 1999. However, as of July 2000, the parking ticket office remains the bailiff's responsibility. The transfer of the parking ticket office to the YMCO falls within Ohio Revised Code (ORC) § 1901.31(3)(F) which states, in part, "the clerk of a municipal court shall receive, collect and issue receipts for all costs, fees, fines bail and other monies payable to the office or any officer of the court." Traffic tickets are not handled by the parking ticket office because they involve driver's licenses and, therefore, fall under the criminal division.

The clerk stated that the full conveyance of the responsibility for the parking ticket office to the YMCO will not happen until all of the parking ticket operations can be transferred. This includes the construction of a parking ticket office within YMCO's facilities, complete training on the parking ticket office operations and the certification of a deputy clerk for the use of the Law Enforcement Automated Data System (LEADS) machine. All persons who have access to a LEADS machine must be cleared by the Federal Bureau of Investigation (FBI). As of June 2000, there were no deputy clerks with LEADS certification.

Certification training fees for LEADS are built into the monthly rental cost of the LEADS machine. Training takes approximately six hours, and there is a test given for certification. The person who receives certification then becomes a terminal agency coordinator (TAC) and is authorized to train other entity personnel. The TAC is required to take a four-hour update course each spring.

**R4.9** YMCO should take all necessary steps to expedite the transfer of the parking ticket office. This would include space renovation, personnel training and LEADS certification for a deputy clerk. Because YMCO is more suited to handling cash payments, transferring the parking ticket office should result in enhanced revenue collections as well as efficiencies in staffing and operations.

During the course of this audit, the State Auditor's office held status meetings with the municipal clerk's office in an effort to keep them informed as to the status of the audit and to provide them with the information necessary to allow them to begin implementing various recommendations prior to the completion of this engagement. As a result of these meetings, the clerk of court has hired a deputy clerk who is LEADS certified.

- F4.15 Currently, the Youngstown Municipal Court system has a LEADS machine in the bailiff's parking ticket office. The LEADS machine helps the bailiff's office identify current information on an individual including a mailing address, and is necessary for the parking ticket office collection procedures since a parking ticket lists only a license plate number. The base terminal agency fee is \$180.00 per month. When the parking ticket office is transferred, it is YMCO's intention to acquire a second LEADS connection rather than share the bailiff's LEADS machine. The cost of the router connection to be added to the LEADS system is \$117.46 per month (effective April 17, 2000). YMCO indicated they are doing this because they applied for a grant from the Department of Highway Safety to fund a collections officer. Therefore, by having a separate LEADS machine, the traffic/parking collections officer will be able to work at eliminating the current backlog of delinquent fines and fees without being inhibited by trying to share the bailiff's LEADS machine. See **C5.1** and **R5.5** in the **criminal section** of this report for further information on the grant.

**R4.10** YMCO should utilize a second LEADS connection until the backlog on uncollected parking tickets is reduced or the grant funds are depleted. After which time, the parking ticket office should use the bailiffs' LEADS machine on a part time basis to research the database for their required information. The second LEADS connection would allow YMCO to eliminate the significant backlog of unpaid parking tickets while grant dollars are available, as well as efficiently utilize the existing technology once the grant dollars expire and not overburden the bailiff's LEADS machine. The financial implication for eliminating the backlog is included in the one-time implication listed in **R4.3**.

*Financial implication:* Assuming that YMCO can eliminate the backlog of unpaid parking tickets by 2003, the clerk's office could achieve an annual expenditure savings of \$1,410 (beginning in 2003) by not utilizing a second LEADS connection.

- F4.16 YMCO does not have any written policies and procedures for the operation of a parking ticket office. In addition, there are no job descriptions or evaluations for deputy clerks assigned to work in the parking ticket office.

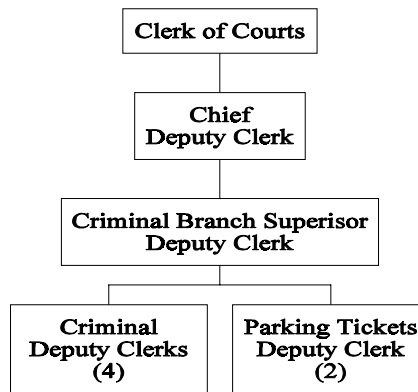
**R4.11** In order to operate a more effective and efficient office, YMCO should create policies and procedures that would allow deputy clerks to operate in a pragmatic manner. In addition, job descriptions and evaluations would help ensure that each deputy clerk is familiar with their responsibilities. See the **organizational and administrative** section for more discussion on job descriptions and evaluations.



During the course of this audit, the State Auditor's office held status meetings with the municipal clerk's office in an effort to keep them informed as to the status of the audit and to provide them with the information necessary to allow them to begin implementing various recommendations prior to the completion of this engagement. As a result of these meetings, the clerk of court has begun performing regular evaluations.

F4.17 YMCO is planning on staffing the parking ticket office with two deputy clerks. The proposed parking ticket office is illustrated in **Chart 4-2**.

**Chart 4-2: Parking Ticket Office - YMCO (Proposed)**



F4.18 **Table 4-5** compares the bailiff's 1999 staffing levels as well as YMCO's proposed staffing to the peers based on various operational ratios.

**Table 4-5: FY 1999 Parking Ticket Office Staffing Comparison**

FY 1999	Youngstown		Canton <sup>1</sup>	Elyria	Lima	Peer Average <sup>2</sup>
	FY 1999 Bailiff <sup>3</sup>	Proposed YMCO	Current	Current	Current	Current
Number of staff (FTE)	1.0	2.0	1.250	0.125	0.125	0.625
Annual average salary with benefits <sup>4</sup> (1 FTE)	\$33,865	\$33,865	\$36,980	\$38,682	\$38,800	\$37,082
Annual average personnel costs	\$33,865	\$67,730	\$46,225	\$4,835	\$4,850	\$22,444
Annual average number of parking tickets issued	16,347 <sup>5</sup>	16,347	25,869	2,385	4,688	12,322
Annual Number of parking tickets issued per full-time employee	16,347	5,449	20,695	19,080	32,504	22,157
Average personnel cost per ticket issued	\$2.07	\$4.14	\$1.79	\$2.03	\$1.04	\$1.82

N/A = Not applicable

<sup>1</sup> The Canton Clerk of Court does not include the parking ticket office. However, Canton's Department of Public Safety submitted the requested information.

<sup>2</sup> The peer average does not include YMCO's proposed staffing.

<sup>3</sup> The bailiff's parking ticket office was staffed with one person for 1999.

<sup>4</sup> Benefits are set by the City of Youngstown and not YMCO.

<sup>5</sup> Youngstown Municipal Court Bailiffs' Office could not provide data. Data was estimated by the Auditor of State's office.

As indicated in **Table 4-5**, the Youngstown Municipal Court's bailiff's parking ticket office has the lowest average number of parking tickets issued per full-time equivalent employee and its personnel costs per parking ticket issued is higher than the peer average. The relative inefficiencies of these averages can be attributed to the bailiff's lack of a past-due collection practice and its lack of use of technology. Based on comparisons to the peers, YMCO's proposed staffing level will result in a significantly lower number of tickets processed per employee while doubling the administrative cost per ticket.

The parking ticket office has been under the control of the bailiff's office since 1952. Prior to the fall of 1998, the parking ticket office employed one deputy bailiff, in a supervisory role, and two deputy bailiffs in a staff role. Since 1998, the staffing level has been reduced to one deputy bailiff in a supervisory role (**Chart 4-1**). As a result of this reduced staffing, there was no commitment in the bailiff's parking ticket office to follow up on unpaid parking ticket fines.

In an effort to foster the transfer of the parking ticket office to YMCO, the clerk of court hired a deputy clerk to begin working and training with the deputy bailiff in the parking ticket office beginning in January 2000. As a result of the additional staffing, the bailiff's parking ticket office is maintaining its status quo on daily operations. However, the bailiff's parking ticket office has a significant backlog of uncollected parking tickets. See **F4.2** and **R4.2** for more discussion on past-due parking ticket fines collections.

**R4.12** After the backlog of uncollected tickets is under control and once the parking ticket office begins to fully utilize the existing technology, based on comparisons to the peers on **Table 4-5**, it appears that YMCO should be able to operate the parking ticket office with one deputy clerk. Furthermore, because YMCO has applied for a grant (**F4.14**) to fund a traffic/parking collections person, the clerk should reconsider her intentions to hire one additional staff member.

*Financial Implication:* If the clerk is able to maintain a parking ticket staff of one, the YMCO would have an annual cost avoidance of \$33,865 in salaries and benefits.

### *Technology*

F4.19 The parking ticket office uses the GBS computer system for inputting parking ticket data, recording payments and to run various reports. However, the parking ticket office is not utilizing the full potential of the system. Specific areas identified in this section of the report where the parking ticket office could implement technology to gain operational efficiencies include the following:

- Monitoring the collection rate on parking tickets (**R4.1**)
- Automatic notifications of past-due parking tickets (**R4.2**)
- Back-up procedures (**R4.7**)
- Identifying missing parking tickets (**R4.9**)
- Minimizing the parking ticket office's staffing level (**R4.13**)

**R4.13** YMCO should better utilize technology to establish a more cost effective and efficient office. As further explained in the **technology section** of this report, YMCO should continue to track the implementation progress of the contractor in addition to looking for new ways that the computer could assist them in their daily operations. Additional items that could be generated from the computer system include, in part, the following:

- Daily reconciliation reports
- Unpaid parking ticket listing, sorted by vehicle license plate number, to identify multiple offenders
- A report of parking ticket cases still uncollected by the collection agency

- An unpaid parking ticket aging report to determine what tickets should be written-off
- A listing of parking tickets being dismissed to track information such as the same parking meter being broken and to reconcile with the judges' dismissal order
- Statistical reports that would provide data on the number of tickets issued, paid, dismissed and the associated dollar amount due.

The items noted above would provide management with the necessary information in order to better manage the parking ticket office. This information would also provide the factual information necessary for YMCO to make adjustments in procedures and personnel.

## Financial Implications Summary

The following table represents a summary of one-time revenue recovery and annual revenues that YMCO could realize as well as future costs avoidances. For the purposes of this table, only recommendations with quantifiable financial impacts are listed.

### Summary of Financial Implications for the Parking Ticket Office

Recommendation	One-time Revenue Recovery	Annual Revenue Enhancements	Expenditure Reduction	Cost Avoidances
R4.3 Formal collection procedures for past-due and ongoing parking tickets	\$340,000	\$78,000		
R4.10 Utilizing the bailiff's LEADS machine			\$1,410	
R4.12 Maintaining current staffing levels				\$33,865
<b>Total</b>	\$340,000	\$78,000	\$1,410	\$33,865

## **Conclusion Statement**

In order for the parking ticket office to begin functioning efficiently and effectively, significant changes need to take place in its operations. Specifically, the parking ticket office should be physically transferred to the Youngstown's Clerk of Court's Office (YMCO), parking ticket collections should be made a priority, the proposed staffing level should be re-evaluated and the available technology should be utilized.

YMCO has not accepted full responsibility for the parking ticket office. The parking ticket office still remains under the management of the Youngstown Municipal Court's bailiff's office. YMCO should take all necessary steps to expedite the transfer of the parking ticket office. This would include space renovation, personnel training and LEADS certification for a deputy clerk. The expeditious transfer of the parking ticket office would put the parking ticket office in an environment which is more suited to function as a collection agent, resulting in enhanced revenue collections for the City of Youngstown, as well as gaining efficiencies in staffing and operations.

Currently, the parking ticket office has a significant backlog of unpaid parking tickets. Since 1998, the parking ticket office's efforts to collect these delinquent fines have been minimal. In order to collect the monies owed to the City and to enforce the City's parking ordinances, YMCO should make it an immediate priority to improve the collections of delinquent parking tickets. Specific techniques YMCO is encouraged to use in improving the parking ticket collections include adopting a formal collection procedure, utilizing block warrants and maximizing the use of compact procedures.

YMCO is planning on staffing the parking ticket office with two deputy clerks. However, based on comparisons to the peers, it appears that YMCO should be able to operate the parking ticket office with one deputy clerk for the collections of fines and producing the miscellaneous reports, after the backlog of uncollected parking tickets is under control and once the parking ticket office begins to utilize its technology to its fullest. Furthermore, because YMCO has applied for a grant to fund a traffic/parking collections person, that person should be able to keep past-due parking ticket collections current.

As noted in this report, the parking ticket office has been deficient in its use of technology. If the parking ticket office is going to operate efficiently, it is imperative that the technology be used to the fullest extent possible. This report identifies a number of reports and functions that the parking ticket office is not using or does not have the capability to produce. To rectify this, YMCO is encouraged to continue to working with the judges and GBS in an effort to have the necessary modifications made to the software as well as to receive the necessary training on how to use the existing functions.

The bailiff's parking ticket office has experienced problems regarding its operations; however, YMCO should be commended for its progress in making recommended changes to become more efficient in the delivery of its services to the public.

# Criminal Division

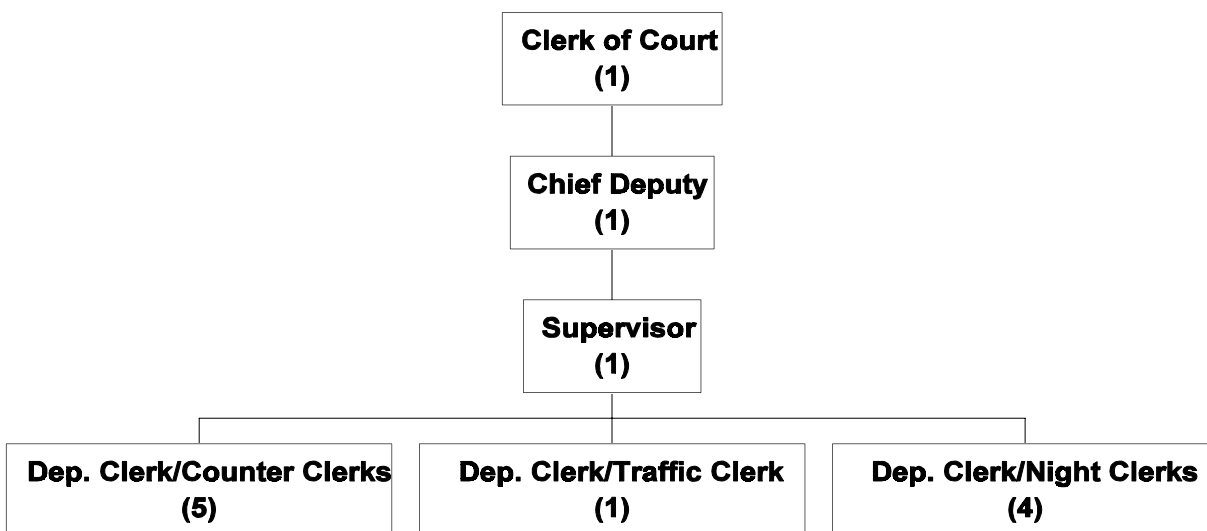
## Background

This section summarizes the performance review of the criminal division of the Youngstown Municipal Clerk of Court's Office (YMCO). Comparisons are made throughout the report to the peer clerk of court offices of Canton, Elyria, and Lima to illustrate various operational issues. The criminal division of the YMCO handles all criminal cases, as well as traffic cases.

### Organizational Chart

In the YMCO, there are nine full time employees, excluding the chief deputy and clerk of court who oversee the overall operations of the YMCO, solely dedicated to the criminal division consisting of one supervisor, five day staff and three night staff. In the past, the criminal division operated with four night staff members. The division intends to hire another night time staff member to fill the current vacant position. All of the employees have the title of deputy clerk. However, their positions and responsibilities can be broken down into different functions, as indicated in the organizational chart below. **Chart 5-1** represents the eleven budgeted positions for the criminal division as of January 1, 2000.

**Chart 5-1: Criminal Division (Budgeted Positions)**



### *Organizational Function*

The criminal division is responsible for maintaining case files and handling the payments of fines and fees for all criminal and traffic cases for the YMCO. The jurisdiction of YMCO includes the city limits of the City of Youngstown (the City) as explained in the Ohio Revised Code (ORC) § 1901.01 and 1901.02. Criminal cases include all felonies, misdemeanors, minor misdemeanors, dog citations, Mill Creek Park citations, state highway patrol misdemeanors and liquor control citations. Traffic cases include speeding, illegal U-turns, failure to control vehicle and failure to stop, among many others. In carrying out their responsibilities for criminal and traffic cases, the staff members perform the following functions:

- Collecting, receipting, depositing and posting of bonds (cash and surety)
- Collecting, receipting, depositing and posting of fines
- Collecting, receipting, depositing and posting of restitution payments
- Collecting, receipting, depositing and posting of probation fees
- Collecting, receipting, depositing and posting of installment payments
- Entering and maintaining accurate records of all motions filed
- Preparing and filing all interims, dispositions, capias, warrants, Bureau of Criminal Investigation (BCI) forms and subpoenas
- Entering backlog of cases into computer
- Preparing license forfeitures
- Assessing uncollected fines and fees
- Pursuing delinquent accounts
- Processing and issuing refunds for bonds and restitution payments
- Performing various administrative functions
- Entering commitments, which involves the processing of paperwork for individuals going to jail
- Preparing bound-overs
- Recalling warrants



### *Summary of Operations*

The criminal division of the YMCO handles all criminal and traffic cases. Operations begin in this division when a complaint is filed in the clerk's office either by a police officer or a plaintiff. The counter clerk makes copies of the complaint, enters it into the GBS computer system, creates the warrant and files it. The police are provided with the warrant where it will remain until an arrest is made. If the individual against whom the complaint was filed has already been arrested, the warrant is transferred to the bailiff the following day to be used during the arraignment.

Each morning, the criminal division supervisor sorts the case files scheduled for the day by judge and transfers the files to the bailiff who distributes them to the appropriate judge. If the offender has been previously arraigned and did not show for that arraignment, the judge would have issued a capias for their arrest and noted the future court assignment on the case jacket. If the offender has not been previously arraigned, the case files are sorted and assigned to the arraignment judge who hears the case. When court is finished for the day, the bailiff returns all case files to one of the clerks in the criminal division. The clerk files each case as interim, finished or capias.

Interim cases are those scheduled to go to trial at a future date. The night staff is responsible for entering the future court dates into the computer system and filing them alphabetically. The decision rendered in a case is noted either on the journal in the case file or on the case jacket itself. The files are transferred back to the YMCO where the night staff is responsible for entering judgements for criminal cases. The traffic clerk is responsible for entering judgements for traffic cases. Each morning, the criminal division supervisor and the traffic clerk verify all judgements entered into the computer from the prior day and prepare a summary report of all judgements for the county jail.

Cases are classified as finished if the defendant pleads no contest or guilty during the arraignment. The operations for a finished case are the same as for an interim case from the point of when a judgement is issued. Cases are classified as capias when the defendant does not show for their arraignment. For capias cases, the criminal division supervisor must complete the bench warrant form built into the system, create a new case file jacket and transfer the warrant to the police station. After completing these steps, the process described above for interim cases is exactly the same for capias cases.

One of the criminal division's primary responsibilities is to collect the fines and costs that have been assessed on all criminal and traffic cases. If the defendant is found guilty and a monetary fine is involved, the counter clerks will collect and receipt payment from the defendant, or establish a payment plan if the entire fine is not paid at once. If the defendant is found not guilty, the individual is dismissed and it is noted in the computer system.

*Staffing*

**Table 5-1** represents criminal division staffing for the YMCO as of January 1, 2000.

**Table 5-1: Criminal Division Staffing**

<b>Position</b>	<b># of Staff</b>	<b># of FTEs</b>	<b># of Budgeted FTEs</b>
Deputy Clerk, Supervisor	1	1	1
Deputy Clerk, Traffic Clerk	1	1	1
Deputy Clerk, Counter Clerk	4	4	4
Deputy Clerk, Night Clerk	3	3	4
Collections Officer	0	0	1
<b>Total</b>	9	9	11

**Source:** Criminal Division

In the criminal division, all of the employees have the title of deputy clerk, although they perform different functions. The supervisor is responsible for the day-to-day management of the employees within the division, as well as completing portions of the other functions of the division on an as needed basis. The traffic clerk handles all aspects of the traffic cases. The counter clerks are primarily responsible for collecting, receipting, depositing and posting all payments made at the criminal division counter, which would include traffic and criminal fines, bonds and restitution payments. They also perform various administrative functions within the office. The night clerks are responsible for handling all aspects of interim cases and for performing the duties of a counter clerk during their shifts at night.

*Financial Data & Key Operating Statistics*

**Table 5-2** provides a breakdown of key operating statistics for the criminal division in YMCO and the peers. Unless otherwise noted, the peer averages in **Table 5-2** and all other tables in this section include statistics for the Youngstown Municipal Clerk's Office.

**Table 5-2: Key Operating Statistics - Criminal Division**

	Youngstown	Canton	Elyria	Lima	Peer Average
<b># of Staff</b>	9	12	11	10	10.5
<b>Total Salaries</b>	\$248,851	\$284,170	\$326,050	\$301,933	\$290,251
<b>Average Salary</b>	\$27,650	\$23,681	\$29,641	\$30,193	\$27,791
<b>Population (1990 Census)</b>	95,000	192,569	94,873	109,755	123,049
<b>Total # of Crimes per 10,000 Population (1998)</b>	758	340	N/A <sup>1</sup>	323	474
<b>Case Load Breakdown Per 10,000 Population Served in 1999</b>					
<b>Felony</b>	112	88	100	29	82
<b>Misdemeanor</b>	540	295	421	359	404
<b>OMVI <sup>2</sup></b>	44	79	149	107	95
<b>Traffic</b>	733	1,150	1,620	1,370	1,218
<b>Total</b>	1,429	1,612	2,290	1,865	1,799
<b>Total Number of Cases</b>					
<b>1999 Total</b>	13,584	31,041	21,729	20,461	21,704
<b>1998 Total</b>	17,711	28,053	22,348	23,946	23,015
<b>Two Year Average</b>	15,648	29,547	22,039	22,204	22,360
<b>Total Fines and Costs Assessed and Collected</b>					
<b>Total Fines and Costs Assessed, 1999</b>	\$1,570,000 to \$1,840,000 <sup>3</sup>	\$2,968,000	\$3,044,000 <sup>4</sup>	\$2,624,000 <sup>5</sup>	\$2,552,000 to \$2,619,000
<b>Total Fines and Costs Collected, 1999</b>	\$776,000 <sup>3</sup>	\$1,935,000	\$2,046,000 <sup>4</sup>	\$1,536,000 <sup>5</sup>	\$1,573,000
<b>% collected</b>	42% to 49%	65%	67%	59%	64%

Source: YMCO and Peer City Salary Reports, Annual Reports, Office of Criminal Justice Services and the Supreme Court of Ohio

<sup>1</sup> The data is not available for Elyria

<sup>2</sup> Operating a Motor Vehicle While Intoxicated

<sup>3</sup> The total fines and costs assessed and collected for YMCO are an estimate (see F5.5).

<sup>4</sup> The assessments and collections for Elyria includes only cases filed in 1999.

<sup>5</sup> The data for Lima also includes fines and costs associated with parking violations, in addition to criminal and traffic.

*Performance Measures*

The following is a list of performance measures that were used to review the criminal division:

- Determine the amount of uncollected fines/costs that currently exist
- Assess past efforts undertaken by YMCO to collect those fines/costs
- Assess the methods of payment that YMCO allows individuals to use in paying fines/costs
- Assess accountancy of bond process
- Review process for fine distribution
- Review staffing levels
- Review general policies and procedures in place within the division

## Findings/Commendations/Recommendations

F5.1 **Table 5-2** reveals that the City of Youngstown's crime rate per 10,000 population is approximately 60 percent higher than the peer average, which would suggest that the total number of criminal and traffic cases processed by the YMCO would be higher than the peers. However, in contrast, YMCO processed the lowest number of total cases per 10,000 population served of the peers in 1999. This can be primarily attributed to Youngstown's significantly lower number of traffic cases per 10,000 population of the peers, which is 40 percent lower than the peer average. These statistics were developed based on information submitted to the Ohio Supreme Court and the Office of Criminal Justice Services by the clerk's office, the police department and the judges. Prior to submitting the data, the clerk's office, police department and judges do not meet to analyze the information and ensure that it is accurate and reliable.

With a lower amount of tickets and fines being issued, a clerk of court's office will consequently have a lower amount of assessments on which to collect. This may be one of the contributing factors for YMCO's lower amount of total collections of the peers, as indicated by **Table 5-3**. In addition, the lower number of tickets being issued can adversely impact public safety in the City.

**R5.1** All of the organizations in the City involved in the criminal/traffic system, including the police office, YMCO and judges, should work together to ensure that the information associated with the collections of fines and costs, such as the issuance of tickets, is accurate and reliable. Furthermore, the information should be analyzed and used as a resource in determining the appropriate mechanisms of ensuring public safety in Youngstown.

F5.2 The overall operations of a city and a court are impacted by the clerk of court's collection rate on fines and fees assessed. A higher collection rate will provide a greater amount of monies to the city and court. **Table 5-3** provides the collection rates and related information for the YMCO's and peer court's criminal divisions.

**Table 5-3: Collection Rates For All Fines and Costs Assessed in 1999**

	Youngstown	Canton	Elyria	Lima	Peer Average <sup>1</sup>
<b>Average Total Caseload for 1998 &amp; 1999</b>	15,648	29,547	22,039	22,204	24,597
<b>Total costs and fines assessed</b>	\$1,570,000 to \$1,840,000 <sup>2</sup>	\$2,968,000	\$3,044,000 <sup>3</sup>	\$2,624,000 <sup>4</sup>	\$2,879,000
<b>Total amount collected</b>	\$776,000 <sup>2</sup>	\$1,935,000	\$2,046,000 <sup>3</sup>	\$1,536,000 <sup>4</sup>	\$1,839,000
<b>% collected</b>	42% to 49%	65%	67%	59%	64%

**Source:** Financial printouts from Municipal Clerk's offices and Annual Reports.

<sup>1</sup> The peer average does not include Youngstown.

<sup>2</sup> The total fines and costs assessed and collected for YMCO are an estimate (see **F5.5**).

<sup>3</sup> The assessments and collections for Elyria are for only cases filed in 1999.

<sup>4</sup> The data for Lima also includes fines and costs associated with parking violations, in addition to criminal and traffic.

**F5.3** One of the criminal division's primary responsibilities is to collect fines and costs. However, **Table 5-3** indicates that the YMCO has a considerably lower collection rate, which is 23 to 34 percent lower than the peer average. The criminal division processed 36 percent less total cases for the two year average caseload period than the peer average and the total amount of collections for the division was 42 percent lower than the peer average. A low amount of collections adversely impacts the amount of revenues provided to the City and YMCO. Certain factors noted throughout this report that appear to have contributed to the low collection rate of the YMCO include the following:

- Low number of total cases per 10,000 population served of the peers (see **F5.1**)
- Lack of adequate monitoring and tracking activities (see **F5.4**)
- Insufficient assuredness that data is inputted consistently or correctly (see **F5.5**)
- Inability to produce accurate and reliable reports (see **F5.5**)
- Lack of an individual within the criminal division assigned to the collections process (see **F5.7**)
- Issues with the attorney's office concerning delinquent collections (see **F5.8**)
- Not utilizing a full array of collection methods (see **F5.9** through **F5.14**)
- Issues with the refunding of third party bonds (see **F5.16**)
- Not pursuing action against bondsmen (see **F5.17**)
- Not utilizing all available technology (see **F5.18** and **F5.21**)
- Various staffing and organizational issues (see *Staffing Issues* and *Organizational Issues*)

**R5.2** The collection of fines and costs in the criminal division of the YMCO should be made a priority. An improved collections process should increase the collections rate of the YMCO and provide more revenues for both the City and the clerk's office. This section of the performance audit contains several recommendations identifying specific methods and strategies the YMCO should implement to improve the collections.

*Financial Implication:* If the criminal division of the YMCO implements the recommendations listed throughout this report and therefore, improves operations on an ongoing basis, it is estimated that the division has the potential to increase collections by approximately \$338,000 to \$377,000. This range was determined assuming YMCO could increase its collections by 45 to 50 percent by incorporating the collection methods identified in the Mansfield study and effective collection practices identified in the peers.

Additionally, by issuing block warrants to collect on past-due fines as discussed in **R5.7**, it is assumed that the clerk's office could potentially increase its collections of delinquent payments by approximately \$476,000 to \$666,000. This range was determined assuming YMCO could increase its collections by 50 to 70 percent based on Lima's success rate of issuing block warrants.

### *Collection Monitoring*

F5.4 The YMCO has never monitored or tracked their collection rate, so they can not accurately determine how successful they are in collecting fines and costs. In addition, goals regarding the collection of fines and costs have not been established within the criminal division. Established goals could help to stress the importance of collecting fines and costs to the criminal division staff and provide the division with achievable and concrete expectations.

**R5.3** The criminal division should begin to monitor and track the collection rate. The supervisor of the criminal division, along with the clerk, should be responsible for establishing feasible and quantifiable goals regarding the collection of fines and costs, which will give the division something to strive for and achieve. The assignment of a deputy clerk (see **R5.5**), who would be responsible for the overall collection process, should be the individual responsible for monitoring the collection rate so that the criminal division is able to determine how successful the division was in reaching the established goal.

F5.5 In the past, the YMCO did not ensure that data was inputted consistently or correctly or that it was maintained effectively. There has been a lack of employee training with the computer system that has contributed to the input of inaccurate information. Lacking this assuredness in data entry and without an effective process of monitoring or tracking the collection rate, the YMCO was unable to provide an accurate and reliable figure for total costs and fines assessed in 1999.

Three different reports were generated by the criminal division, with each report showing a different assessment rate. Since an accurate and reliable assessment rate could not be provided, this performance audit includes a calculated range of estimates for Youngstown's total fines and costs assessed. The range of estimates were determined by taking YMCO's caseload as a percentage of Lima and Canton's caseload. This percentage was then applied to the amounts assessed by Lima and Canton.

The YMCO's total collections figure was determined by analyzing the cash receipts ledger of the criminal division for a three month period. The three month collection figure was then multiplied by four to obtain an estimate for the yearly collections.

**R5.4** For the criminal division to have the ability to monitor and track the collection rate, the division should ensure that data is entered correctly and consistently into the computer system. All of the employees should be trained on entering the data correctly into the computer. By entering the data correctly, the division should be able to produce accurate and reliable reports that can be relied upon in monitoring the collection rate and in assessing the division's overall success in collections. One mechanism to ensure that the data is entered correctly is to have a clerk maintain running totals of the total number of cases and associated fines and costs. At the end of their shift, a report should be generated from the computer that would indicate the number of cases and associated fines and costs that were entered by the clerk, which should then be reconciled with the running totals to ensure that data was entered correctly.

F5.6 A study released on August 11, 1992 by the National Center for State Courts attempted to discover what constitutes a strong collection method for the Mansfield, Ohio Municipal Court. It revealed that a more aggressive collection method resulted in a higher collection rate. In general, the more attention that a court pays to the collection process, the more likely a defendant would be to comply with the court order and pay the associated fines and costs. In the Mansfield Municipal Court, after the study was implemented in September, 1991, the total money collected in the comparative months substantially increased, as depicted in **Table 5-4**.



**Table 5-4: Change in Collections  
for Mansfield Municipal Court**

	<b>1990 - 1991 % Change (Prior to Study)</b>	<b>1991 - 1992 % Change (After Study)</b>
<b>January</b>	7%	27%
<b>February</b>	8%	27%
<b>March</b>	(21%)	33%

Source: National Center for State Courts

The following is a list of other important findings revealed by the study.

- Having to complete an affidavit of income, expenses and financial disclosure that determined a defendant's ability to pay fines and costs served as a deterrent to defendant's asking for time to pay and thus paying in full on the day of sentencing. After the affidavit was completed, the collections agent contacted the references listed by the defendant, in the presence of the defendant, to assess the accuracy of the affidavit.
- The collection method of sending a reminder notice five days prior to the payment due date, a telephone call three days after missed payment and a follow-up letter five days after the telephone call resulted in a higher collection rate.

The YMCO has never used any of the collection methods implemented in the study in the past to collect fines and costs.

F5.7 Currently, there is no one assigned in the criminal division for handling uncollected fines. Over the past year, college interns have been hired by the judges for the sole purpose of entering past-due account information into the computer. The interns only work a couple of days a week, and according to the criminal division supervisor, this is not enough to make any significant progress with the vast number of past-due collections.

The YMCO has a large amount of uncollected fines and fees in the criminal division, totaling approximately \$952,000 as of March 1, 2000, dating back to 1993. No individual is currently responsible for sending out delinquency notices on cases that are 30 days past due, nor does anyone follow up on old cases that were previously sent delinquency notices. This further impacts the City of Youngstown, since a majority of these uncollected fines represent lost revenues for the City. Recently, the clerk's office has applied for a grant from the Department of Public Safety to provide funding necessary for the services of a collections person to assist in collecting delinquent traffic fines. However, this grant does not allow the individual to collect on delinquent criminal fines.

The Lima Clerk of Courts has one individual dedicated to handling current and past-due collections. The collections officer is responsible for establishing the collections account. The two cashiers assist the collections officer by taking in and recording collection payments and approving time extensions for payers. If an individual becomes more than ten days late in making a payment, the court will send a notice to the individual. If the individual still does not contact the clerk's office after another ten days, the clerk's office will have a warrant and a block warrant issued against the individual. Canton and Elyria clerk's offices also utilize collections officers. However, these officers are employed by the court and are considered judge employees.

**C5.1** The YMCO is commended for applying for the Department of Public Safety grant. This will provide them with the staffing resources necessary to begin pursuing delinquent traffic accounts.

**R5.5** YMCO should assign one deputy clerk the task of handling the entire collection process in the criminal division, including uncollected fines, by using the collection method identified in the 1992 study (see **F5.6**). One of the night staff that may be transferred to day staff, as discussed in **R5.18**, could perform this role in the division. Since the clerk's office is so far behind in delinquent collections, another deputy clerk should assist the newly appointed collections officer. Once the past-due accounts become settled, the assistant should be used on an as needed basis, such as in Lima, for collecting payments and granting time extensions.

The collections officer's duties should include entering the backlog of cases with unpaid fines and fees into the computer, implementing the collection methods described in the Mansfield Municipal Court study and communicating with the attorney's office (see **R5.6**) on all cases previously submitted for collections. The collections officer should also issue a block warrant on an individual if all other collection methods prove to be unsuccessful (see **R5.7**).

During the course of this audit, the State Auditor's Office held status meetings with the municipal clerk's office in an effort to keep them informed as to the status of the audit and to provide them with information necessary to allow them to begin implementing various recommendations prior to the completion of this engagement. As a result of these meetings, the clerk of court has addressed this recommendation by applying for a grant from the Department of Public Safety for the purposes of hiring a traffic collections officer. In addition, the criminal division has recently hired a financial collections officer responsible for collecting fines and utilizing a financial affidavit assessing a defendant's ability to pay. If the YMCO receives the grant from the Department of Public Safety, the financial collections officer will focus on collecting criminal fines.

By using the average percentage increase for the three month period in collections from the Mansfield study of 29 percent, it is estimated that by implementing this recommendation

YMCO could increase their collections by \$225,000. Since the YMCO would be transferring a night time employee to the collections position, the clerk's office should not incur any additional personnel costs. In addition, more revenue would be generated for the City and the court as more delinquent accounts become collected. This financial implication is included in the overall ongoing implication listed in **R5.2**.

### Collection Methods

F5.8 In the past, efforts have been made to collect delinquent monies through a contract with a local attorney's office. For more information about the contract, see the **parking** section of this report. The attorney's office charges the YMCO a fee of 23 percent of all collections. However, in January, 2000, the attorney's office verbally proposed an increase in the rate to 30 percent of all collections. YMCO has no formal policy that states when cases should be sent to the attorney's office. **Table 5-5** indicates the amount of delinquent fines the attorney's office has collected for the criminal division.

**Table 5-5: Collection Amounts from the Attorney's Office**

Year	Amount Collected	% Change from Previous Year
1993	\$200	N/A
1994	\$26,587	132%
1995	\$38,611	45%
1996	\$47,080	22%
1997	\$32,460	(32%)
1998	\$12,081	(63%)
1999	\$6,860	(43%)
<b>Total</b>	\$164,779	N/A

Source: The Attorney's Office

According to criminal division employees, new cases have not been sent to the attorney's office since June 1997 due to a perceived ineffectiveness of the attorney's collection efforts. The attorney's office and criminal division do not know the amount of the uncollected fines and fees that have been submitted to the attorney's office for collections. This information has not been tracked, so it is not possible to assess the overall effectiveness of the attorney's collection efforts. **Table 5-5** indicates a sharp decline in collections after 1996. However, this decline can be partially attributed to the criminal division no longer sending cases to the attorney's office.

When cases were being sent to the attorney's office, the following collection process was used. Within seven days of entering the case into the attorney's computer system, a letter would be sent to the offender stating that payment was required on the past-due fine. If payment was not received 30 days after the first letter was sent, a second letter was sent. If no payment was received after that time, a credit report was run on the person and a current address and/or place of employment was also attempted to be discovered. If possible, the attorney's office then proceeded with a wage garnishment or a debtor's hearing to determine if payment was likely. If this was not possible or if the person did not show up for the hearing, a warrant could be issued by a judge.

**R5.6** All delinquent cases from June 1997 through the present should be sent to the attorney's office for collection, only after the clerk's office has exhausted all of its attempts at collecting the fines and costs using the collection methods recommended throughout this report. The newly appointed collections officer (see **R5.5**) in the criminal division should work with attorney's office to forward cases that the YMCO has been unable to collect on and any other necessary information. The collections officer should receive reports from the attorney's office periodically indicating the status of all cases that have been sent to the attorney's office. There should be an open line of communication between the criminal division and the attorney's office to ensure that the attorney's office is doing everything possible to collect on the delinquent cases that have been sent to the office. Additionally, the collections officer should ensure that all collection information is entered into the computer system. By entering this information, the criminal division will be able to determine the total dollar amount of uncollected fines that have been sent to the attorney's office to ascertain the attorney's overall effectiveness. Furthermore, to lower the service fee charged by the attorney's office, the YMCO should consider submitting the collection of delinquent fines and costs to a competitive proposal process. This would ensure that the YMCO obtains services for the lowest cost and highest quality.

F5.9 The YMCO has never issued block warrants, which are a new collection process implemented by House Bill 141 in the 122<sup>nd</sup> General Assembly roughly a year ago. The law states that a block warrant can be issued on individuals who have an outstanding warrant that was issued by a municipal or county court. In Lima, a block warrant is issued after a bench warrant has been submitted. To issue a block warrant, the clerk's office enters these individuals onto a diskette and mails the disk to the license bureau. The license bureau sends out notices to these individuals informing them of the block warrant and the requirement to pay the past-due fines. If an individual has a block warrant placed against them, they will be unable to renew their driver's license and license plates until they pay the past-due fines. Pursuant to interviews with the peers, this serves as an effective enforcement mechanism, especially considering the fact that license plates must be renewed annually and driver's licenses must be renewed every four years. Lima has indicated that they received payments from 70 percent of the block warrants that they have issued on past-due accounts.

**R5.7** Because judicial approval is required to issue block warrants, the clerk should work with the judges to begin issuing block warrants on all delinquent accounts. The newly appointed collections officer should be responsible for issuing the block warrants, as discussed in **R5.5**, and the block warrants should be issued after all of the previous collection attempts have failed.

As mentioned in **F5.9**, Lima received payments from 70 percent of the block warrants they initially issued on past-due accounts. **Table 5-6** provides a forecasted range of collections between \$476,000 to \$666,000 on these past-due fines if the criminal division would issue block warrants on all of the uncollected fines and fees, which total \$952,000 as of March 1, 2000.

**Table 5-6: Potential Collections  
from Issuing Block Warrants**

Percent Collected	Dollar Amount Collected
50%	\$476,000
60%	\$571,000
70%	\$666,000

F5.10 The Compact Procedures program is a national program designed to collect traffic fines from out of state offenders. The program is used in 48 out of 50 states in the United States. When an offender from another participating state receives a traffic citation in the City of Youngstown and fails to pay, a notice is sent to the Ohio Bureau of Motor Vehicles, which then sends a notice to the individual's home state. The person's license is then suspended by their home state until the fine is paid. Canton has indicated that they receive three to four payments a week through the Compact Procedures program. The YMCO does make use of this program. However, they could not provide any documentation as to the frequency of its use.

**R5.8** Because of the effectiveness of this program in other clerk of courts, including Canton, it is recommended that Youngstown continue to use this program and to increase its use wherever appropriate. Documentation should also be kept on cases sent through Compact Procedures, so that the YMCO is able to track its efficiency and effectiveness more easily.

F5.11 As mentioned in the discussion of the National Center for State Courts study (see **F5.6**), the use of a financial affidavit proved to be an effective collections method. The YMCO does not use a financial affidavit. The financial affidavit in the study was used to assess a defendant's ability to pay. References that the defendant provided were contacted to verify the

information provided on the affidavit by the defendant. The affidavit also served as a deterrent to defendants asking for time to pay and thus paying the entire fine on the day of sentencing.

**R5.9** The YMCO should consider the use of a financial affidavit to assess a defendant's ability to pay. References should be contacted in the defendant's presence to assess the accuracy of the affidavit. The collections officer should not allow the defendant to provide references at a later date because the defendant would have time to contact the references and coach them as how to respond to the inquiries of the collections agent. If the references cannot be reached or provide conflicting information, the defendant should be given two or three days to pay the fine in full or perform the required amount of community service.

During the course of this audit, the State Auditor's Office held status meetings with the municipal clerk's office in an effort to keep them informed as to the status of the audit and to provide them with information necessary to allow them to begin implementing various recommendations prior to the completion of this engagement. As a result of these meetings, the clerk of court has addressed this recommendation by implementing the use of the financial affidavit in July, 2000.

F5.12 A study completed by the Ohio Criminal Sentencing Commission in January, 1998 found that community service is an effective payment method because many offenders would rather pay the fine than perform community service. Also, community service can be a viable option for low income offenders who may not otherwise be able to pay their fines. Currently, the judges in Youngstown offer each offender the option of "paying" their fine with community services hours rather than a monetary fine, but the YMCO does not know how often community service is granted because it is not tracked. A set amount of five dollars per hour worked has been established to make each sentence consistent. By offering community service as an option, there is a potential for a lesser amount of fines to go uncollected.

**C5.2** The judges and the YMCO have instituted an effective method of allowing an offender to perform community service to pay their fines.

**R5.10** The employees in the criminal division should consistently monitor those defendants paying fines through community service. When offenders indicate that they are unable to pay all or a part of their fine, the counter clerks should fully explain the community service option and then refer the offender to the probation department. Once the offender begins performing the community service under the supervision of the probation department, the YMCO should communicate with the probation department on a daily basis to determine who performed community service, how many hours were worked and what service was performed. This information should then be used to update the fine amount owed to the court.

If the required amount of community service is not completed by the specified date, the case should be treated as overdue and uncollected. From there, the same collections process will follow as would for a monetary fine. If the offender still wishes to perform community service to pay for the fine once it has gone into collections, the appropriate number of hours will be added to the fine to cover the \$50 delinquency fee assessed on overdue cases in collections (10 hours of service). According to the YMCO, the newly employed financial officer has met with the probation officers and will be working with them to maintain an accurate account of service hours served.

F5.13 The YMCO uses the Ohio Uniform Traffic Ticket, the standard issue ticket format for traffic citations. The tickets indicate whether or not a court appearance is necessary, and if not, where the fine can be paid. There is nothing provided with or on the ticket that may facilitate the payment of the fine. The traffic tickets used in Canton include an envelope addressed to the clerk of court's office, as well as a fine schedule, and detailed instructions for payment. The cost of these tickets are slightly higher than the standard traffic tickets. However, Canton has indicated that the implementation of these new tickets has increased their collection rate for traffic citations by an estimated 10 to 15 percent.

**R5.11** The YMCO should consider implementing a new ticketing system, modeled after the Canton Clerk of Court's. The system of issuing tickets in Canton makes it easier for the traffic violator to pay the fine quicker by including an envelope addressed to the clerk's office, a fine schedule and detailed instructions for payment. Additionally, because all the information is available, the traffic offender would not have to contact the clerk's office, thus reducing the amount of phone calls or walk-in questions concerning the traffic violation.

Assuming that the YMCO implements the ticketing system used by Canton, and achieved similar success, their collection rate could increase from an estimated \$77,569 to \$116,353. The tickets used by Canton are five cents more per ticket than the standard tickets, at a total cost of 18.5 cents. For a one and a half year supply of 20,000 tickets, the initial start up cost of ordering these tickets would be \$3,700, resulting in a net increase of \$73,869 to \$112,653 in collections. This financial implication is included in the overall ongoing implication listed in **R5.2**.

F5.14 State highway patrol cars can be equipped with credit card swipe machines to enable citizens to pay their traffic citation fine instantly, at the point of issuance. This is a benefit provided to the YMCO free-of-charge and at no cost to the City. Currently, the clerk's office does not make use of this service and has not equipped the state highway patrol vehicles with the credit card swipe machines. The YMCO has only received four tickets from the state highway patrol, as of May 23, 2000. However, Canton does provide for the use of credit card swipe machines in state highway patrol vehicles and has indicated that this accounts for

approximately five percent of their overall collections. The credit card swipe machines were provided to the patrol vehicles at no cost by Canton's financial institution.

**R5.12** Although the number of state highway patrol tickets appears to be minimal, the YMCO should consider providing the state highway patrol with the swipe machines and encourage and endorse the use of these machines by the patrol cars issuing citations within YMCO's jurisdiction. The use of the swipe machines could help reduce the amount of uncollected fines associated with traffic citations as well as increase operational efficiency.

### *Bonds*

F5.15 There are four different types of bonds approved and collected by the YMCO: full bonds, ten percent bonds, surety bonds, and personal bonds.

- A full bond requires a deposit of the entire bond amount.
- The ten percent bonds are established by a fee schedule and the State charges an additional \$20 for misdemeanors and \$41 for felonies. The City keeps ten percent of the ten percent bond deposit.
- A surety goes through a bondsman. The bondsman guarantees the full amount while the individual/defendant pays the bondsman ten percent. The bondsman does not pay the Court anything. If the defendant does not show up for trial, the judge may order the bondsman to pay either ten percent or the full amount of the bond. The bondsman is only liable if the City pursues action against them. Since the defendant pays no money to the Court, the criminal division supervisor indicated that many defendants are not showing up for trial.
- A personal bond is signed by the defendant stating that they will show up for trial. No money needs to be provided by the defendant.

Bonds for felonies are set by the judge and are the only bonds that are determined by the judge. The remaining bonds are all ten percent bonds.

F5.16 A ten percent or full bond may be posted by the defendant or another individual. Whoever posts the bond is entitled to get the full amount back. If the defendant is found guilty and the bond is in their name, it can be used to cover court costs and fines and the remainder is returned. It is the YMCO's practice that if the bond is in another individual's name, the full amount of the bond must be returned to that person. Due to this circumstance, according to the criminal division supervisor, many defendants do not post bond for themselves and instead have a third party post bond for them, knowing that the third party will be refunded



the full amount. This practice not only results in lost monies from the initial bond payment, but it has also allowed for the continuous abuse of the system by repeat offenders who will avoid paying their court costs and fines. The YMCO's collection rate will consequently be adversely affected by this abuse.

There is no section in the Ohio Revised Code (ORC) that states what a local municipal court is legally bound to do in regards to the refund of bonds. The Rules of Practice, in the most recent copy dated June 26, 1991, for the Youngstown Municipal Court does discuss certain pertinent bond information, but it does not specifically state what should be done with the bond money if it is posted by someone other than the defendant.

The criminal division in the Lima Clerk of Courts has devised a method to prohibit the full refund of a bond payment when someone other than the defendant posts bond. If someone else is posting bond for the defendant, they are presented with and requested to sign an "acknowledgment form," which is also signed by the defendant. This form states that the bond money can be used for fines and costs assessed by the court. By signing this form, the individual agrees to allow the bond money to be used for that purpose. According to the chief deputy of Lima, there has never been a situation where someone has refused to sign this form. With this policy, Lima is enforcing its collection process and ensuring that defendants do not forfeit in paying their fines and costs.

**R5.13** The clerk's office should consider implementing a policy similar to that being used by the Lima Clerk of Court. The YMCO could develop an "acknowledgment form" similar to Lima stating that the individual posting bond for the defendant agrees to allow court costs and fines to be deducted from the bond payment. Only after court costs and fines have been deducted will the remainder be returned. Additionally, the YMCO should revise its Rules of Practice to include the "acknowledgment form" so that this practice will be consistently followed.

During the course of this audit, the State Auditor's Office held status meetings with the municipal clerk's office in an effort to keep them informed as to the status of the audit and to provide them with information necessary to allow them to begin implementing various recommendations prior to the completion of this engagement. As a result of these meetings, the clerk of court has addressed this recommendation by implementing the use of the "acknowledgment form" in August, 2000.

F5.17 The YMCO currently has 30 outstanding bonds where the defendants did not show up for trial and has not yet decided on what should be done with these bonds. In the past, it was forfeited to the City or was allowed to be used again if the defendant was arrested a second time. In addition, the City has not taken action against any bondsmen for the collection of surety bonds this year where the defendant did not show up for trial as noted in **F5.15**.

There is nothing stated in the Rules of Practice as to what needs to be done with ten percent or full bonds. For outstanding surety bonds, the criminal division first has to send out a notice to the defendant and surety requiring them to appear in Court. If they do not appear on the required date, the criminal division is supposed to forward the bonds to the civil division. From this point, the civil division would be responsible for taking the next step in the process for the outstanding bonds. However, according to the criminal division supervisor, bonds have not been forwarded to the civil division for quite some time and that the criminal division still retains the bonds and is responsible for them. All bonds that remain outstanding are eventually forfeited and distributed in the same manner as fines in accordance with ORC § 2937.36.

**R5.14** The Court should adopt rules that describe what actions are to be taken with the ten percent bonds, as is done with the surety bonds. In addition, the Rules of Practice should be updated to accurately portray the current process of dealing with outstanding bonds. If the criminal division has any outstanding surety bonds, they should go through the process described in the updated Rules of Practice and work with the judges to take action against the bondsmen. Since there is no established local rule on how to deal with outstanding ten percent and full bonds, they should be forfeited and distributed in the same manner as fines in accordance with ORC § 2937.36. If the same individual is arrested multiple times, they should have to post a separate bond for each incident. By taking action and going through the required process for all outstanding bonds, the YMCO could potentially experience an increase in their collections.

During the course of this audit, the State Auditor's Office held status meetings with the municipal clerk's office in an effort to keep them informed as to the status of the audit and to provide them with information necessary to allow them to begin implementing various recommendations prior to the completion of this engagement. As a result of these meetings, the clerk of court has begun to address this recommendation by establishing a procedure for recovering outstanding fines and costs from third party bonds, which will be implemented after judicial approval and subsequent journal entry.

F5.18 Although the computer system has the capability to account for the bonds, currently, all bonds are manually entered on yellow book receipts. The white copy is given to the individual and the clerk's office keeps the yellow copy. The payer needs to provide the white copy to the clerk's office to receive the bond refund. Once the current supply of hard copy bond receipts is exhausted, the clerk intends to begin using the computer to account for the bonds. A template is already established in the computer and the staff only have to input the data, which includes basic information such as the defendant's name, case number and other various items, into the template. The staff have not yet been trained on entering the bond information in the computer. In the long run, manually entering the bond information requires more time and money compared to using the computer function.

A problem with using the computer arises when a new arrest is made and subsequently bond is posted. A case number is required to enter the bond information into the computer and the YMCO can not assign a case number until the prosecutor's office determines whether charges will be filed. This poses a problem for individuals arrested after business hours because there are no personnel in the prosecutor's office to determine if charges will be filed. In addition, when the prosecutor's office is open, there can be problems with providing the necessary information to the YMCO in a timely manner. The clerk's office has yet to address this problem with assigning case numbers. However, the Clerk of Court in Lima has developed a strategy to deal with this problem. If a case has yet to be assigned, the clerk's office in Lima will assign a miscellaneous case number in the computer system so that the individual can post bond. If the prosecutor's office decides to pursue the case, the miscellaneous case number is transferred to the new case number. If the case is not pursued, the bond money is then returned to the individual.

**R5.15** The staff of the criminal division should be trained on using the computer to enter bond information. Once staff are trained, they should be required by the clerk's office to fully utilize the bond module in the computer. The problem of not being able to assign case numbers needs to be addressed before the staff can use the computer. There are two alternatives discussed below that the criminal division could potentially implement to resolve this problem.

- For new cases that the prosecutor's office has yet to determine if charges will be filed, the YMCO should allot a miscellaneous case number, as is done in Lima. If the prosecutor's office decides to pursue a case and provides the necessary information, the YMCO should then transfer the associated miscellaneous case number to the newly assigned case number. If the new case is not pursued, the bond money should be returned.
- When the prosecutor's office is closed or unavailable, the municipal clerk's office could prepare a manual receipt for those individuals who are posting bond. A duplicate copy of the manual receipt could be given to the individual at that time. When the paperwork is received from the prosecutor's office stating whether charges will be filed, the related case number should be assigned (if applicable) and the bond receipt entered into the computer. In addition, a computer receipt should be generated. The individual's copy of the computerized receipt should be mailed to the individual. YMCO's copy of the manual receipt and the computerized receipt should be placed into the case file.

By utilizing the computer, the staff will have more time to perform other various departmental functions and will become more familiar with the computer in general.

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*Distribution of Costs and Reconciliation Procedures*

F5.19 The YMCO has established a rate of \$60.00 for court costs. Of this \$60.00, \$23.00 is distributed to the city of Youngstown, \$3.00 is provided for the legal research and computerization fee, \$14.00 goes to the Special Projects Fund, \$11.00 is distributed to the Public Defender Fund and \$9.00 is provided to the Victims of Crime Fund. The distribution of the court costs are calculated by the computer system. The monies are distributed through handwritten checks sent via U.S. mail. Currently, the YMCO does not print checks from the computer or use direct deposit/wire transfer. However, the YMCO is in the process of implementing check printing technology. For a more detailed discussion of the check printing technology, see the **technology** section of this report.

F5.20 The clerk's office has to go through a reconciliation process before monies are distributed to the other various agencies in the municipality. One of the employees in bookkeeping will reconcile the statements before the money is distributed to the various agencies. All of the monies (court costs, fines, bond payments, etc.) are placed into one account. According to the bookkeeper, this process has made it difficult to track all of the various monies. However, the clerk's office is in the process of separating the accounts, which should occur within the next two months when the YMCO switches banks. One account will house bonds and the other will house court costs and fines. The reconciliation process can be summarized by the following equation:

- Open Item List (bond money, restitution) + Distribution (money going to the agencies) = Bank Balance.

The refunding/receipting of bonds is done daily by an individual within the criminal and traffic division. The Bookkeeper is responsible for sending out the monthly distributions. For more information on the reconciliation process, see the **cash management** section of this report.

C5.3 The YMCO is commended for separating the bonds from the other various monies. This will enable the clerk's office to better track and monitor the monies and ensure that the distributions are made appropriately.

*Staffing Issues*

F5.21 **Table 5-7** provides information on the criminal division staffing levels per number of cases compared to the peers.

**Table 5-7: Staff Caseload & Cost per Case in 1999**

	Youngstown	Canton	Elyria	Lima <sup>1</sup>	Peer Average
<b># of Staff</b>	9	12	11	10	10.5
<b>Total Salaries</b>	\$248,851	\$284,170	\$326,050	\$301,933	\$290,251
<b>Total Benefits</b>	\$79,785	\$106,920	\$105,721	\$106,370	99,700
<b>Total Salary &amp; Benefits</b>	\$328,636	\$391,090	\$431,771	\$408,303	\$389,951
<b>Average Salary</b>	\$27,650	\$23,681	\$29,641	\$30,193	\$27,791
<b>Average Benefits</b>	\$8,865	\$8,910	\$9,611	\$10,637	\$9,495
<b>Average Salary &amp; Benefits</b>	\$36,515	\$32,591	\$39,252	\$40,830	\$37,138
<b># of Cases</b>	13,584	31,041	21,729	20,461	21,704
<b># of Cases per Staff</b>	1,509	2,587	1,975	2,046	2,067
<b>Total Cost per Case</b>	\$24.19	\$12.60	\$19.87	\$19.96	\$17.97

Source: Youngstown and Peer Court's Annual Reports and Supreme Court of Ohio Statistics

<sup>1</sup> The staffing data for Lima includes one employee solely dedicated to parking.

**Table 5-6** indicates that the YMCO is processing the lowest number of cases per staff member of the peers. Additionally, the YMCO has the highest cost per case. Furthermore, if the YMCO does increase staff to the budgeted 11 FTEs as noted in **Table 5-1**, the total cost per case will increase to \$29.57 while the number of cases per staff will decrease to 1,235. One of the contributing factors to these ratios is the lack of technology in YMCO. Because the YMCO has not historically used all of the available technological resources, they needed more employees to perform tasks that an efficient technological operation would eliminate. In contrast, the peers are able to achieve more efficient staffing levels by using all of the available technology, which is indicated by the higher number of cases processed per staff member and lower total cost per case ratios in comparison to YMCO.

**R5.16** The YMCO should work with GBS to ensure that the clerk's employees are properly trained on the existing technology. YMCO should then require all criminal division employees to consistently use the technology. This should free up more time for the staff members so that

they would be able to handle more cases. Once the technology is being used, the YMCO should also consider reducing staff. However, this may not be a feasible option for the clerk's office to currently pursue. The staff is currently backlogged and considering the fact that past-due collections have been ignored (see **F5.7**), reducing staff now could adversely affect operations. However, the option of reducing staff may be achievable some time in the future, through attrition and/or staff cuts, and after the clerk's office's technological components are more functional and collections are being fully maximized.

*Financial Implication:* By reducing one to two staff members at the current average salary plus benefits of \$36,515, the YMCO could potentially save between \$36,515 and \$73,030 on an annual basis.

**F5.22** While there are three day staff and three night staff members devoted primarily to counter work, at some point, all of the deputy clerks in the criminal division work at the counters throughout the day. There is no set schedule as to who is supposed to work at the counter at a certain time. Usually, the person who is most available will come to the counter to assist the counter clerks, when it gets busy. Without a set schedule, there is no one left responsible or accountable at the counter. This can also cause confusion among the staff as to who should be manning the counter at any certain time during the day.

**R5.17** The criminal division should adopt a standard uniform schedule to ensure that there is adequate coverage at all times throughout the day. The supervisor should be in charge of establishing the schedule, which should include the shifts that each employee is responsible for (i.e., one employee works the counter from 8 am to 11 am, another employee is responsible for working the counter from 11 am to 2 pm, and so forth). Any confusion among the staff as to who is responsible for manning the counter will be eradicated by implementing the aforementioned schedule. This will ensure that a specific staff member is held accountable to work the counter at a certain time during the work day.

During the course of this audit, the State Auditor's Office held status meetings with the municipal clerk's office in an effort to keep them informed as to the status of the audit and to provide them with information necessary to allow them to begin implementing various recommendations prior to the completion of this engagement. As a result of these meetings, the clerk of court has begun to address this recommendation by developing and implementing a standard uniform schedule.

F5.23 **Table 5-8** displays the hours of operations and work shifts for all of the peers.

**Table 5-8: Hours of Operation and Shift Information**

	Youngstown	Canton	Elyria	Lima
<b>Hours of Operation</b>	24 hour operation, everyday of the week	8:00 am to 4:30 pm, Monday through Friday	8:00 am to 4:30 pm, Monday through Friday	8:00 am to 5:00 pm, Monday through Friday
<b>Shifts</b>	Monday through Friday - two deputy clerks work 7:00 am and to 3:00 pm, four employees work 8:00 am to 4:00 pm,, one employee works 4:00 pm to 12:00 am, and one employee works 12:00 am to 7:30 am. For Saturday and Sunday, one employee works 8:00 am to 4:00 pm, one employee works 4:00 pm to 12:00 am, and one employee works 12:00 am to 7:30 am	Everyone comes in at 8:00 am except: One supervisor and one employees arrive at 7:30 am; and one clerk works from 11:00 pm to 7:00 am	Everyone works the 8:00 am to 4:30 pm shift, with a few minor exceptions.	All employees work the 8:00 am to 5:00 pm shift.

**Source:** Criminal Divisions in the YMCO and peer clerk's offices

Currently, the criminal division operates with six day time staff members and three night time staff members. However, the division is authorized for four night time staff members. The three night staff persons are responsible for handling all aspects of interim cases, as well as performing the duties of a counter clerk during the night. They are responsible for the collection and receipt of any bond payments made throughout the night for night time arrests and for verifying warrants. The night staff are also responsible for working the weekend shifts, with one employee working each shift. There is a lack of supervision on the night staff, since there is no supervisor present during their work shift. The YMCO has just recently hired another night time employee who is in training.

In the Lima Clerk of Court, night time bond payments are handled through the police and sheriff departments. Therefore, when a defendant is placed in jail at night, the police department or the sheriff's office can take the bond and release the individual. Each morning, the money is transferred to the clerk of court's office and entered into the system at that time.

There are no night staff, with the exception of one staff person in Canton, who performs duties unrelated to those performed by the night staff in Youngstown. The night time

employee in Canton prepares bookings so that the cases from the previous night are ready to go to court in the morning. The clerk's office would be able to save resources and free up the night staff to perform other important duties, such as working on collecting delinquent payments, by transferring night time bond payments to the police department.

**R5.18** Due to the cost of operating the facilities 24 hours a day, security issues and potential problems associated with having staff working unsupervised, it is recommended that the night staff be transferred to day staff and that the weekend shifts be eliminated. This would rectify the above issues as well as provide the clerk with staffing resources necessary to fill the collections agent position.

As discussed in **R5.17**, the supervisor of the criminal division should be responsible for establishing the entire staff schedule. All of the duties that the night staff currently perform, with the exception of the collection of bonds throughout the night, can be performed at any time during the day. The collection of the bond money at night should be transferred to the police department and a certain number of police officers should be deputized so that they will be able to take bonds at night. Due to the extreme backlog of cases in the criminal division, all three of the night staff employees would be necessary to maintain as day time personnel. Once the backlog is eliminated and the necessary technology has been implemented and is being utilized, as discussed in **R5.5**, staffing reductions can then be initiated.

F5.24 As mentioned in **F5.23**, the night staff are responsible for verifying warrants. They use the warrant system in the computer and enter warrants and capias by name and case number. Although the police department has access to the warrants in the computer system, the current process requires the police department to contact the night staff in order to verify the warrant prior to arresting an individual. This practice resulted because in the past, the clerk's office did not have a mechanism to track the location of case files and to ensure that the case file information was being entered into the system in a consistent fashion. However, the clerk's office recently implemented a sign-in / sign-out policy and is in the process of taking actions to ensure that the data is entered consistently and accurately. For more information on the warrant process, see the **organization** and **administration** section of this report.

### *Organizational Issues*

F5.25 There are two cash drawers at the criminal division counter that are used by every employee within the division. This allows for a lack of accountability and responsibility for cash drawer variances. If there were to be a shortage in one of the cash drawers, it would be difficult to track down the cause. Also, the probability of internal theft is greater by not having one person assigned to one specific cash drawer. For a more detailed analysis of this issue, see the **cash management** section of this report.



F5.26 The staff members are personally responsible for any shortages in the cash drawers. When a shortage does occur, the clerks who are working during that time will try to go through every receipt to find the cause of the shortage. If they can not find the cause, the two or three clerks that were working from the drawer during the shift in which the shortage occurred will split the amount of the shortage equally between them and pay it out of their own pockets. As of May 23, 2000, there has only been two occurrences in which the clerks had to pay out of their own pocket because the cause of the shortage could not be discovered. The last amount of a shortage where the clerks had to pay the difference out of their own pocket was \$50. This practice may induce resentment from the employees and place an undue financial burden on them.

**R5.19** Although the frequency of shortages appears to be low, the criminal division of the YMCO should still consider alternative methods for employee accountability of cash drawers, such as implementing a “three strikes” policy. If a clerk is short more than three times in one year, they should then be subject to some form of employee reprimand. Each shortage should be discussed and examined between the employee and supervisor and a reprimand could also be used after each specific shortage. The YMCO should also consider establishing and enforcing proper internal controls. According to the YMCO, a new practice to deal with shortages and overages is being developed with the assistance of the finance department, which will eliminate the practice of deputy clerks being personally responsible for shortages. The **cash management** section of this report contains several recommendations concerning the internal controls within the YMCO’s office. The specific recommendations identified in the **cash management** section that would benefit the criminal division include:

- Receiving credit card payments
- Assigning one staff member to one specific cash drawer
- Implementing security procedures for cash drawers
- Modifying the cash drawer reconciliation procedures

F5.27 There is no formal mentoring program in place for employees in the criminal division. Without a mentoring program, there is the potential for employees to learn to complete certain tasks in an inappropriate way and pass this misinformation on to other employees. Outdated inefficient practices also get passed forward to other employees in the same manner. A formal mentoring program can provide employees with the necessary information they need to perform productively in their specific roles. According to the YMCO, a mentoring policy will eventually be implemented for new hires. For more information concerning the mentoring program, see the **organization** and **administration** section of this report.

F5.28 Currently, the criminal division in the YMCO does not have a policy/procedure manual in place. The employees indicated that they generally know what is expected of them and

departmental policies are understood and internalized. However, the employees have no written document to which they could turn to if they are uncertain of any policy. The staff may be spending more time than is necessary trying to track down certain information when everything could be provided to each employee in a written manual thus saving the staff time and avoiding employee frustration.

**R5.20** The criminal division in the YMCO should develop a policy manual for its staff. Management would benefit from a written policy especially when an employee needs to be reprimanded. At a minimum, the policy manual should address the following.

- Pulling case files
- How cases should be numbered
- Information required to be entered in the computer system for collections
- How to use the criminal computer screens
- How to process bond payments
- Procedures for reconciling cash drawers
- Requirement of using only the clerk's specifically assigned cash drawer
- Procedures for cash drawer shortages
- Requirement to be present for the clerk's assigned shift at the counter
- Requirement to record payment of fines and costs into the computer system

For information to be included in an overall policy manual for the entire YMCO (vacation/leave information, conditions of employment, legal information, and so forth), see the **organization** and **administration** section of this report.

## Financial Implications Summary

The following table represents a summary of the revenue enhancements and cost savings discussed in this section. For the purposes of this table, only recommendations with quantifiable financial impacts are listed.

<b>Recommendation</b>	<b>Revenue Enhancement</b>	<b>Cost Saving</b>
R5.2 Ongoing increase in collections	\$338,000 to \$377,000	
R5.2 One-time increase in past-due fines collections	\$476,000 to \$666,000	
R5.16 Potential Staff Reductions		\$36,515 to \$73,030

## **Conclusion Statement**

In the past, the criminal division in the YMCO has not made the collection of delinquent accounts a priority, as evidenced by their low collection rate in comparison to the peers. The factors contributing to the low collection rate are the lack of monitoring activities within the division and a lack of assuredness in data integrity. The employment of a collections officer within the criminal division would benefit the YMCO by having a specific individual responsible and accountable for monitoring the collection rate and utilizing effective collection methods. Computer training for staff members would help to ensure that data is entered into the system correctly and in a timely manner. By not monitoring the collection rate and not ensuring that information regarding collections is entered correctly and in a timely manner, the criminal division can not adequately assess its collection rate.

The criminal division has a contract with a local attorney's office for the purposes of collecting past-due fines. The attorney's services have been perceived by the clerk's office to be ineffective, which explains why the YMCO has not sent the attorney any new cases since 1997. However, neither the attorney's office nor the criminal division is able to assess the overall effectiveness of the attorney's collection efforts due to a lack of adequate monitoring. The attorney's office would best be utilized by sending new cases to the attorney only after the criminal division has exhausted all of its internal collection efforts and ensuring that all of the cases sent to the attorney are tracked in the computer system to assess the true effectiveness of the attorney's services.

The division has neglected to use the various technological functions available, such as using the bond module and computer to print checks. As analyzed in this report, the criminal division in the YMCO is processing the lowest number of cases per employee at the highest cost of the peers, which can be attributed to the practice of using little to no technology. The staff would save time and resources by using all of the available technology. Perceived complexities in the computer system need to be addressed through additional training.

The criminal division lacks essential internal organizational elements. A mentoring program should be implemented for new hires to provide employees with the necessary tools and information they need to perform productively in their specific roles. A written policy manual, which would function as a reference document for management and staff, needs to be created to outline employees' responsibilities and departmental procedures.

Through discussions and meetings between the State Auditor's Office and the YMCO, the criminal division has begun to take steps to improve their operations by submitting a grant for the purposes of employing a traffic collections officer. Recently, the criminal division hired a financial collections officer responsible for collecting fines and utilizing a financial affidavit assessing a defendant's ability to pay. Additionally, the criminal division is commended for the following:

- Taking the necessary steps to separate their one account into two accounts, for the purposes of distinguishing bond monies from fines and court costs.
- Developing and implementing a standard uniform schedule for the division employees.
  
- Taking steps to begin to track community service hours.
- Establishing a procedure to be implemented after judicial approval for recovering outstanding fines and costs from third party bonds.
- Beginning to implement a policy to deal with cash drawer shortages.
- Beginning to implement a mentoring policy for new hires and new procedures for dealing with overages/shortages.

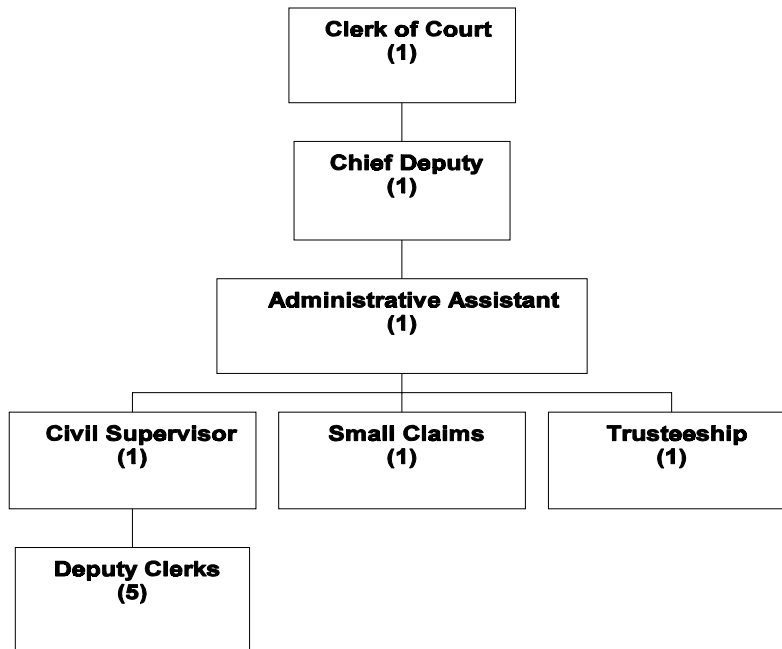
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# Civil Division

## Background

This section focuses on the civil division of the Youngstown Municipal Clerk of Court's Office (YMCO) and includes a review of YMCO's compliance with laws and regulations, an examination of the policies and procedures addressing departmental operations, a staffing analysis and a review of the collection of costs and fees. Comparisons are made throughout the report with the peer municipalities of Canton, Elyria and Lima, Ohio, to illustrate various operational issues. **Chart 6-1** illustrates the current civil organizational structure and staffing levels for the YMCO as of June 30, 2000.

**Chart 6-1: Organizational Chart.**



### *Organizational Function*

The civil division is responsible for all civil cases for the YMCO. The jurisdiction of YMCO includes only the city limits of the City of Youngstown as explained in the Ohio Revised Code (ORC) § 1901.01 and ORC §1901.02. Civil cases include personal injury, property damages, contracts, forcible entry, other civil cases, small claims and trusteeship actions. In carrying out their responsibilities for civil cases, the staff members perform the following functions:

- Verifying case information on complaints
- Creating case files jackets, posting to docket sheets and journal dockets
- Entering all cases into civil docket half sheets and into the computer
- Entering docket sheet information in the computer
- Entering orders of the court into journals
- Entering judgements on hard copy case files and into the computer
- Entering satisfaction information on hard copy case files and into the computer
- Preparing the general index on each plaintiff and defendant
- Preparing the daily court index legal news publication
- Issuing summons on complaints
- Receiving responses from summons
- Collecting, receipting and posting of filing fees
- Collecting, receipting and posting into bond dockets
- Collecting, receipting and posting into rent escrow accounts
- Collecting, receipting and posting payments on judgements
- Collecting, receipting and posting payments on trusteeship cases
- Issuing payments to creditors of trusteeship and garnishment cases
- Scheduling hearing dates for motions, forcible entries, landlord/tenant and garnishments

Additionally, the YMCO's small claims and trusteeship functions are considered to be separate divisions. The tasks that are completed by these divisions are included in the above listed functions.



### *Summary of Operations*

The civil operations of the YMCO begin when a civil complaint is filed meeting the criteria of ORC §1901.17 for a civil action not to exceed \$15,000 or ORC §1925.02(A)(1) for a small claims case not to exceed \$3,000. If the complaint meets either criterion, the clerk is authorized to accept the case for filing. In a civil action, the plaintiff is required to have counsel represent their case to the court. In addition, in a civil action, the plaintiff may request a jury trial. In a small claims action, the plaintiff can file a claim without representation from counsel and is not permitted to request a jury trial. The various types of civil or small claims actions are contracts, damages, forcible entry, garnishments, landlord/tenant and trusteeship case filings.

Contract cases involve contractual disputes between two parties. Landlord/tenant actions are usually brought against a landlord for non-compliance with contract terms. The court issues a writ of restitution and the civil division is responsible for processing the writ and the retaking of personal property (replevin action). A forcible entry action requires the court to seize the personal property (premise) wrongfully taken or detained by the defendant. Both landlord/tenant and forcible entry cases require the plaintiff to give security for and to hold the property until the court renders a decision on the issue.

Damage claims are either classified as personal injury or personal property. A personal injury action requires damages (injuries) to ones physical being. A personal property claim involves damages to physical property such as an automobile, rental unit or other types of physical property.

A garnishment or trusteeship proceeding involves a creditor (or potential creditor) asking the court to order a third party who is indebted to or is liable, to turn over to the creditor wages or bank accounts held to satisfy the debt owed. The processing of these cases involves the civil division acting as an agent for the creditor. The garnishment and trusteeship debtors remit payment to the YMCO and the clerk's office issues payment to the creditor.

*Staffing*

**Table 6-1** represents the current civil, small claims and trusteeship staffing for YMCO as of June 30, 2000.

**Table 6-1: Civil, Small Claims & Trusteeship Staffing**

<b>Position</b>	<b># of Staff in 1999</b>	<b># of Staff in 2000</b>	<b>2000 Budgeted Staff</b>
Deputy Clerk, Supervisor	1.00	1.00	1.00
Deputy Clerk, Civil Counter Clerks	2.00	2.00	2.00
Deputy Clerk, Civil New Case Clerk	1.00	1.00	1.00
Deputy Clerk, Civil Docket Clerks	2.00	2.00	2.00
Deputy Clerk, Small Claims Clerk	3.00	1.00	1.00
Deputy Clerk, Trusteeship Clerk	1.00	1.00	1.00
Deputy Clerk, Bookkeeping Clerk	0.85	0.85	0.85
<b>Total</b>	<b>10.85</b>	<b>8.85</b>	<b>8.85</b>

In the civil, small claims and trusteeship divisions, all of the employees have the title of deputy clerk, although they perform different functions. Currently, YMCO has three separate divisions that handle civil, small claims and trusteeship case filings. The civil supervisor is responsible for the day-to-day management of the civil division, as well as completing portions of the other functions of the division on an as needed basis. In addition, the two deputy clerks who handle small claims and trusteeship report directly to the administrative assistant rather than to the civil division supervisor. Furthermore, the bookkeeping department handles Bureau of Motor Vehicle (BMV), garnishment and landlord/tenant case filings and reports directly to the chief deputy clerk rather than the civil division supervisor.

## Key Operating Statistics

**Table 6-2** lists various comparative figures for the YMCO civil division and the peer municipalities. The figures were derived from interviews, documentation provided by the clerk's offices for the respective municipalities and the Supreme Court of Ohio statistical reports.

**Table 6-2: 1999 Key Operating Statistics - Civil Division**

	Youngstown 1999	Youngstown 2000	Canton	Elyria	Lima	Peer Average <sup>1</sup>
# of Staff	10.85	8.85	10.00	5.00	4.50	6.50
Total Salaries & Benefits <sup>3</sup>	\$426,091	\$308,276	\$327,765	\$203,137	\$178,040	\$236,314
Average Salary & Benefits <sup>3</sup>	\$39,271	\$34,833	\$32,777	\$40,627	\$39,564	\$37,656
Population (1990 Census)	95,000	95,000	192,569	94,873	109,755	132,399
<b>Case Load Breakdown Per 10,000 Population Served in 1999</b>						
Damages	23	23	26	29	17	24
Contract	387	387	316	155	285	252
Forcible Entry	189	189	136	128	100	121
Other <sup>2</sup>	17	17	5	7	11	8
Small Claims	102	102	166	157	63	129
Total	718	718	649	476	476	534
<b>Total Number of Cases</b>						
1999 Total	6,829	6,829	12,545	4,525	5,224	7,431
1998 Total	6,661	6,661	13,294	5,423	5,022	7,913
Two Year Average	6,745	6,745	12,920	4,974	5,123	7,672

**Source:** Cities Department of Finance Salary and Annual Reports and the Supreme Court of Ohio statistical report

<sup>1</sup>Peer average does not include Youngstown

<sup>2</sup>This classification represents all cases other than damage, contract, forcible entry or small claims such as trusteeship, garnishment, BMV and landlord/tenant

<sup>3</sup>Levels of benefits are determined by the respective cities rather than the clerk of court

In 1999, the YMCO had approximately 10.85 deputy clerks who were responsible for the handling of the 6,829 civil cases filed in 1999. The inclusion of Canton, Elyria, Lima and the peer average information is presented for comparison purposes and will be discussed in more detail in **F6.1, F6.2** and **F6.3**.

*Performance Measures*

The following is a list of performance measures that were used to review the civil division:

- Assess general policies and procedures in place within the division
- Assess staffing levels
- Assess compliance with laws and regulations
- Assess the process for collecting fees
- Determine the amount of fees that currently exist for civil actions

## Findings/Commendation/Recommendations

### *Organization and Staffing Issues*

F6.1 The organizational structure of the YMCO civil division consists of one supervisor and six deputy clerks. The civil division is responsible for managing the case files for personal injury, property damages, contracts, forcible entry and other civil cases. In addition, YMCO has two deputy clerks who are responsible for the processing of small claims and trusteeship case filings and they report to the administrative assistant. Furthermore, the bookkeeping division processes all BMV and landlord/tenant case filings and they report to the chief deputy. However, it is important to note that maintaining separate divisions for the small claims and trusteeship is a practice inherited by the current clerk inherited when she took office in January 2000.

The organizational structure of the peers establishes a civil supervisor who is responsible for the day-to-day operations of all civil matters including BMV, landlord/tenant, small claims and trusteeship. In addition, the clerks are cross-trained which allows the civil division to function during employee absences.

**R6.1** YMCO should consider consolidating the three separate divisions and the functions performed in bookkeeping into one division. The current organization structure does not allow the supervisor to handle all matters dealing within the civil division. The clerks who currently report to the administrative assistant and chief deputy should be reporting to the civil supervisor. The current organization of the separate divisions allows for the following inefficiencies in the YMCO civil operations:

- poor employee productivity and inefficient workload distribution
- differences between current job duties and those duties intended when the position was created
- lack of managerial responsibility for departmental performance

One possible organization structure could include the administrative assistant being responsible for the overall management of the division. The civil supervisor should report to the administrative assistant and should be responsible for the daily management of the civil division employees. In managing the civil division employees, the Civil Division supervisor should be responsible for monitoring productivity of work and ensuring the accurate processing of civil case filings. The clerks who handle small claims and trusteeship case filings should report directly to the civil supervisor.

F6.2 **Table 6-3** provides information on the staffing levels, average salary and the average number of cases per employee for YMCO and the peer municipalities.

**Table 6-3: Staff Caseload and Cost per Case**

	Youngstown	Canton	Elyria	Lima	Peer Average <sup>1</sup>
# of Staff Members	10.85	10.00	5.00	4.50	6.50
Total Salaries and Benefits	\$426,091	\$327,765	\$203,137	\$178,040	\$236,314
Average Salary and Benefits	\$39,271	\$32,777	\$40,627	\$39,564	\$37,656
# of Cases	6,829	12,545	4,525	5,224	7,431
# of Cases per Employee	629	1,255	905	1,161	1,107
Total Cost per Case Filed	\$62	\$26	\$45	\$34	\$32

Source: Youngstown and peer municipalities Annual Reports

<sup>1</sup>Peer average does not include Youngstown

**Table 6-3** indicates that the civil division processed the lowest number of cases per employee among the peers in 1999. Furthermore, the cost per case filed is approximately 96.2 percent higher than the peer average. In 2000, YMCO is operating the civil division using 8.85 FTEs as shown in **Table 6-2**. When this staffing figure is applied to the caseload shown in **Table 6-3** above, the number of cases per staff member is 772. Additionally, using the total salaries and benefits of \$308,276 for 2000, the cost per case filed is \$45.14.

YMCO attributes the low number of cases per staff member and the high total cost per case filed to the lack of technology. However, the civil division does not appear to fully utilize the available technology in place. At the start of this engagement, the clerks used typewriters to process summons, motions, checks, correspondence, half sheets, writs of restitution, labels for envelopes and preparing the daily legal news publication. Additionally, inefficiencies in the organization structure inherited by the current clerk is another factor that may have contributed to the lower number of cases per staff member and the higher cost per case filed.

**R6.2** YMCO should take steps to better utilize the full functionality of the computer system. The clerk should work with GBS Communication and Computer, Inc.(GBS) to ensure that the employees are properly trained on the existing technology. In addition, sufficient time and resources should be allocated to allow those knowledgeable about the system to operationalize features such as computer generated summons, motions, writs of restitution, the daily legal news publication, labels and checks.

Once the technology has been implemented into the civil division's operations and YMCO reorganizes the civil division as noted in **R6.1**, the clerk should conduct an analysis of the staffing levels in the civil division. Based on **Table 6-3**, it appears that YMCO could

potentially reduce one to two staff members in the civil division. It should be noted that YMCO expects that one of the reductions will occur in 2001 through attrition.

*Financial Implication:* Once the technology is in place and by making the changes noted in **R6.1** and **R6.2**, it appears that YMCO could reduce one to two staff members. Based on the staffing and salary information for 2000, the average salary and benefits of a civil deputy clerk is approximately \$34,833. Assuming YMCO could reduce one to two staff members, YMCO could recognize a savings of approximately \$34,833 to \$69,667 annually.

During the course of this audit, the State Auditor's office held status meetings with the municipal clerk's office in an effort to keep them informed as to the status of the audit and to provide them with the information necessary to allow them to begin implementing various recommendations prior to the completion of this engagement. As a result of these meetings, the clerk of court has requested GBS to computerize the forms, check printing, The Daily New News, labels, motions and other items in the civil division.

- F6.3 YMCO processed 10 new trusteeship cases and managed 82 active trusteeship cases in 1999. A trusteeship case is filed by an individual who utilizes the court to stop a garnishment proceeding. An individual cannot file a trusteeship case unless they have received a ten-day notice (garnishment notice) from a creditor. Once the case is filed in the clerks office, the garnishment proceeding is stopped and a payment plan is established for the debtor. The YMCO is responsible for receiving the payments from the debtor, disbursing payment to the creditor and notifying the court if a payment is not received. **Table 6-4** summarizes the trusteeship activities for the past three years.

**Table 6-4: Trusteeship Three-Year Case Activity**

	1998	1999
# of New Case Filings	13	10
# of Active Cases	92	82
Average Salary & Benefits for One Staff Member	\$34,447	\$35,470

Source: The city's Department of Finance Salary and Annual reports

The YMCO employs one clerk who is responsible for all aspects in the processing and handling of trusteeship cases. The current method employed by the YMCO to process trusteeship cases is labor intensive. YMCO does not utilize the computer system to issue payments or to keep track of outstanding balances on cases. Currently, the clerk manually calculates the amount that each creditor will receive, manually issues the payments and manually posts the entry to the payment card of the debtor. The peers do not employ an individual solely for the purpose of handling trusteeship cases because each of the peers utilizes the computer system to handle the trusteeship functions.



**R6.3** YMCO should consider computerizing trusteeship cases by entering all open files into the computer system. The computer has the capability to track outstanding balances on open cases. In addition, it is capable of calculating and issuing payments to creditors. By computerizing the function for the trusteeship, the deputy clerk who handles this activity should be available to assume other responsibilities within the civil division. See the **technology** section of this report for a full discussion on the computerization of the YMCO civil division.

F6.4 During interviews with staff members at the start of this engagement, the employees indicated that they were unaware of the existence of a policy and procedure manual outlining their responsibilities and functions regarding civil case filings. The employees indicated that they generally know what is expected of them and departmental policies are understood and internalized. However, the employees indicated that they had no written document to which they could turn to if they are uncertain of any policy. In Elyria, the employee's handbook gives detailed information regarding the activities, functions and responsibilities for the deputy clerk position in the civil division.

**R6.4** The YMCO should provide the employees of the civil division with a policy and procedure manual to serve as a reference source for employees. See **R2.6** in the **organizational** and **administrative** section for a further discussion relating to YMCO preparing and implementing a policy and procedure manual.

During the course of this audit, the current clerk located a policy and procedure manual that existed under the previous administration. However, based on the responses from the employees, it does not appear that this manual was distributed throughout the division. The current clerk indicated that she will modify this manual where necessary and distribute it among all the divisions within YMCO.

## General Operations

F6.5 **Table 6-5** provides information on the number of cases per case type for YMCO and peer municipalities for the calendar year 1999.

**Table 6-5: 1999 Civil Case Filings by Case Type**

	Youngstown	Canton	Elyria	Lima	Peer Average <sup>1</sup>
<b>Damages</b>	223	506	277	187	323
<b>Contracts</b>	3,677	6,099	1,471	3,124	3,565
<b>Forcible Entry</b>	1,798	2,629	1,215	1,097	1,647
<b>Small Claims</b>	973	3,209	1,496	694	1,800
<b>Other</b>	158	102	66	122	97
<b>1999 Total</b>	6,829	12,545	4,525	5,224	7,431

Source: The Supreme Court of Ohio 1999 preliminary statistical report

<sup>1</sup>Peer average does not include Youngstown

In total, the YMCO handled more cases than two of the three peers. Additionally, YMCO's caseload for contract, forcible entry and other cases are higher than the peer averages. The clerk attributed the higher number of civil case filings to the economic condition in the Youngstown area, citing that the high unemployment levels result in an increased volume of contract and forcible entry cases due to absentee landlords, evictions and garnishments.

F6.6 Currently, the civil docket prepared by YMCO excludes the landlord/tenant, small claims and trusteeship cases. Additionally, the YMCO has four separate filing systems for civil case filings, which appears to be inconsistent with the Rules of Superintendence (Sup. R.). Sup. R. 43(A) states that all civil actions docketed in a municipal court shall be numbered consecutively as filed, and shall be entered upon the civil docket as numbered.

**R6.5** The civil docket prepared by YMCO should include all civil cases filed including landlord/tenant, small claims and trusteeship cases to be in compliance with Sup. R. 43(A). The rules are construed and applied to effect uniform results by eliminating delay, unnecessary expense and all other impediments to the expeditious administration of justice. See **R2.3** in the **organizational** and **administrative** section for a further discussion relating to the consolidation of the numbering and filing systems within the civil division.

During the course of this audit, the State Auditor's office held status meetings with the municipal clerk's office in an effort to keep them informed as to the status of the audit and to provide them with the information necessary to allow them to begin implementing various

recommendations prior to the completion of this engagement. As a result of these meetings, the clerk of court has instituted a cut-off date, at which time all civil cases will be under one filing system.

- F6.7 At the start of this engagement, the civil division had three cash drawers that were used by every employee within the division. In addition, when the criminal counter becomes crowded, the civil clerks would alleviate the situation by accepting payments for criminal division costs, fees and fines during the day from probation officers. The civil counter clerk issued receipts to the probation officers and placed the payment in an envelope. At the end of the day, the envelope was submitted to the bookkeeping division along with their cash drawer. This procedure allowed for a lack of accountability and responsibility for cash drawer variances. In Canton, there are two civil clerks assigned to the counter in the morning and two other clerks are assigned in the afternoon. The drawers are counted and balanced when the counter clerks change shifts. Canton has indicated it is easier to determine the cause of variances by having only one clerk assigned to one cash drawer.

- R6.6** The civil division should assign clerks to the counter in shifts and the counter clerks should discontinue the practice of accepting payments for the criminal division. Additionally, the **cash management** of this report contains a recommendation that each clerk should work from their own drawer as well as be responsible for reconciling their assigned drawer prior to submitting it to the bookkeeping department. See the **cash management** section of this report for a further discussion of the cash drawers operations.

During the course of this audit, the State Auditor's office held status meetings with the municipal clerk's office in an effort to keep them informed as to the status of the audit and to provide them with the information necessary to allow them to begin implementing various recommendations prior to the completion of this engagement. As a result of these meetings, the municipal clerk's office has assigned cash drawers to specific deputy clerks who are responsible for customer assistance. No individual is to operate from a cash drawer which they are not assigned.

### *Costs and Fees*

- F6.8 The clerk is required by ORC § 1901.26(A)(1) to collect an advance payment of court costs for filing any new civil action or proceeding. Several of the court costs established under ORC §1901.26(A) are fixed and taxed by ORC § 1901.26(A)(9). Other costs are more flexible and allow the judges to determine a reasonable fee amount. Because all customers are required to pay court costs and fees in advance, the civil division is unlike the criminal and parking divisions in that there are no delinquent monies on which to collect.

For each type of case, the judges issue journal entries to establish the amount of advance payment the YMCO is to collect. The standard civil complaint rate is \$83. Of this \$83, \$27 is distributed to the city of Youngstown, \$3 is provided for the legal research and computerization fee, \$10 is provided for capital improvements, \$14 goes to the special project fund, \$15 is distributed to the legal aid fund and \$13 is provided for the legal news publication.

F6.9 **Table 6-6** summarizes key functions and costs associated with the civil division. Some categories have been omitted, such as the cost to copy a document or the certified mail cost because these functions constitute a small amount to the overall fees collected in YMCO and the peer clerks of courts.

**Table 6-6 Basic Cost/Fees Charged on Civil Cases**

Complaint Table	Youngstown	Canton	Elyria	Lima	Peer Average <sup>1</sup>
Civil complaint with certified mail service	\$83	\$60	\$60	\$55	\$58
Civil complaint with personal/resident service	\$83	\$75	\$60	\$70	\$68
Small Claims (includes \$7 for Legal Aid)	\$40	\$20	\$40	\$45	\$35
Transfer to regular docket	\$15	\$40	\$22	\$30	\$31
Garnishment - Wages	\$50	\$40	\$55	\$60	\$52
Garnishment - Bank	\$41	\$40	\$25	\$35	\$33
Cognovit Note (incl \$15 Legal Aid fee)	\$88	\$60	\$62	\$60	\$61
Replevin (includes personal service)	\$88	\$70	\$70	\$60	\$67
Show Cause Hearing	N/C	\$30	\$15	N/C	\$23
Writ of Restitution fee	\$50	\$25	\$10	\$16	\$17
Subpoena (each person names)	\$12	\$5	\$1	\$2	\$3
Reviver of dormant judgement	N/C	\$5	\$8	\$25	\$13
Certified mail of any document	\$3	\$5	\$6	\$6	\$6
BMV Petitions - points, refusals, etc	\$88	\$30	\$70	\$60	\$53
Trusteeship	\$58	N/A	N/C	\$15	\$15

Source: The civil cost and fees schedules for Canton, Elyria, Lima and Youngstown

<sup>1</sup>Peer average does not include Youngstown

YMCO’s fees are higher than the peer average in 10 of the 15 categories listed in **Table 6-6**. Specifically, YMCO has significantly higher fees for BMV petitions, subpoenas and trusteeship. For a more detailed discussion of the computerization of the YMCO, see the **technology** section of this report.

F6.10 Historically, the judges updated the costs and fees schedule annually, however, this procedure was only completed once in the past six years. Additionally, the current costs and fee schedule is not posted in a visible area so that customers are aware of the cost associated with the different types of cases. In Canton and Lima, the costs and fees for the civil division are posted in a visible area and are updated regularly.

**R6.7** The clerk should work with the administrative judge in an effort to update the cost and fees schedule on an annual basis. This would help improve the efficiency of the YMCO as well as the communications between the clerk's office and individuals who use their services. In addition, the updated cost and fee schedule should be posted in a visible area. Updating the costs and fees annually and posting the schedule in a visible area would enable the employees of YMCO to provide a more efficient process in the collection of costs and fees imposed by the court.

During the course of this audit, the State Auditor's office held status meetings with the municipal clerk's office in an effort to keep them informed as to the status of the audit and to provide them with the information necessary to allow them to begin implementing various recommendations prior to the completion of this engagement. As a result of these meetings, the clerk of court has begun to address this recommendation. Specifically, the clerk has posted the outdated costs and fees schedule in a visible area and is working with the judges to update the costs and fees schedule.

### *Technology Issues*

F6.11 The civil division's technology utilization appears to be deficient in several areas as noted throughout this report. The following is a highlight of items where it appears that the civil division could gain efficiencies through the use of existing technology:

- The civil division processes the majority of its work using typewriters rather than the built-in forms and word processing software (see **F6.2**)
- The computer software for the civil division has the capability to automatically generate The Daily Legal News. However, at the start of this engagement, the civil division did not utilize this function. See **F7.14** in the **technology** section for more details concerning the preparation of The Daily Legal News.
- The civil division manually processes all payments to creditors and computes outstanding balances. YMCO does not yet have the capability to generate computer printed checks, however, the vendor (GBS) has indicated a willingness to provide YMCO with this function. See **F7.17** in the **technology** section for more details the automatic check generator function.

In Lima, the clerk's office fully utilizes the available technology and is able to process more cases per staff member at a lower cost. The staff indicated that processing the dockets, certified mail, checks, reports and other related forms on the computer system eliminated duplications of functions and increased productivity. Additionally, because of Web Sites that allow individuals to have 24 hour access to current information regarding filing procedures, costs and fees, hours of operations and other information, the peers indicated that efficiencies have been gained through a reduction of phone inquiries from customers.

**R6.8** Because technology impacts all aspects of YMCO's operations, the clerk should implement the recommendations noted in **R6.1**, **R6.2**, and **R6.3** of this section and the recommendations noted in **R7.2** and **R7.9** in the **technology** section. By making the changes noted in this section and the **technology** section, the YMCO could process more cases with less staff making it more efficient and effective in staff utilization.

During the course of this audit, the State Auditor's office held status meetings with the municipal clerk's office in an effort to keep them informed as to the status of the audit and to provide them with the information necessary to allow them to begin implementing various recommendations prior to the completion of this engagement. As a result of these meetings, the clerk of court has requested GBS to implement the computerization of forms, prepare computer generated checks, generate reports and other related items.

## **Financial Implications Summary**

The following table represents a summary of the annual cost savings and implementation costs for the recommendations in this section of the report. For the purpose of this table, only recommendations with quantifiable financial impacts are listed.

### **Summary of Financial Implications**

<b>Recommendation</b>	<b>Annual Cost Savings</b>
<b>R6.3</b> Reduction of one to two staff members	\$34,833 - \$69,667
<b>Total</b>	<b>\$34,833 - \$69,667</b>

## **Conclusion Statement**

In order for the civil division to begin functioning efficiently and effectively, changes need to take place in its operations. Specifically, YMCO should consider restructuring the civil division, conduct a staffing analysis and begin fully utilizing available technologies.

The past organization structure of the civil division was inefficient as well as ineffective in that it was inconsistent with the Rules of Superintendence and it did not allow the supervisor to handle all matters regarding the civil division. YMCO is encouraged to restructure the civil division by consolidating the three separate divisions and the functions performed in bookkeeping into one division under the overall management of the administrative assistant and the civil division supervisor. By restructuring the civil division, YMCO could lower its cost per case filed and increase the number of cases per staff member.

YMCO's civil division processes the lowest number of cases per staff member among the peers. In addition, YMCO has the highest cost per case filed. Based on these figures, it appears that YMCO may be overstaffed in the civil division. Therefore, YMCO should review its current staffing levels to determine the optimal level needed to maintain effective and efficient operations.

The civil division does not fully utilize the technological resources available. As a result, the level of efficiency and employee productivity appears to be lower than the peers. The YMCO would improve the overall operations of the civil division through technology usage. To facilitate the increased use of technology, YMCO should continue to work with GBS to ensure that all employees are adequately trained to utilize the technology in place.

Although YMCO has experienced many problems regarding the organizational structure of the civil division and the underutilization of technology, it should be commended for the progress that has been made. The YMCO has been working for the last six months to make the necessary changes to become more efficient in the delivery of its services to the public. Additionally, the current clerk is working closely with GBS to implement built-in forms and word processing software in the civil division which should increase staff members productivity levels.



# **Technology**

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## **Background**

This section focuses on the staffing, utilization and adequacy of the current and future technologies at the City of Youngstown Municipal Clerk's Office (YMCO or municipal clerk's office).

### *Organization Function*

YMCO does not have a separate department responsible for technology implementation and management. The municipal clerk's office depends upon GBS Computer and Communication Systems, Inc. (GBS) for all technology functions within YMCO.

On May 15, 2000, YMCO hired a new employee to fulfill the responsibilities of the systems administrator position. This position is responsible for all technology support within the municipal clerk's office, as well as, functioning as the liaison between the municipal clerk's office and GBS for technology related issues.

### *Summary of Operations*

In March 1998, the municipal clerk's office and the City of Youngstown Municipal Court (municipal court) entered into a contract with GBS. The intent of this contract was to computerize the operations of the municipal clerk's office and the municipal court in an effort to gain operational efficiencies. As a result of this contract, the municipal clerk's office relies on GBS for all computer hardware repair and maintenance. In addition, YMCO and the municipal court rely on GBS for training on all computer and software systems received as a result of the contract. The software applications within the municipal clerk's office reside on a PCN Solution/RISC Model E30 platform which is based on an AIX operating system. Although the contract was signed in March 1998, there are certain obligations within the contract that GBS has yet to complete. Furthermore, the municipal clerk's office has also failed to implement certain software applications which have been provided by GBS.

*Technical Configuration*

YMCO operates a PCN Solution/RISC computer system to process all of the municipal clerk's office operation applications. The following table outlines some of the key statistics describing the PCN Solution/RISC computer system:

**Table 7-1: Mainframe Platform Overview**

<b>Model</b>	PCN Solution/RISC Model E30
<b>Location</b>	City Hall
<b>Installation</b>	June 1998
<b>Memory <sup>1</sup></b>	128 MB
<b>Disks <sup>2</sup></b>	4.4 GB and expandable to 13.2 GB
<b>Tape Drives</b>	4 mm 4/8 GB
<b>Operating System</b>	AIX
<b>CD-ROM</b>	4X Speed CD-ROM

**Source:** Documentation from GBS and the municipal clerk's office.

<sup>1</sup> A megabyte (MB) is one million bytes. One byte is equivalent to one character (digit, letter or symbol).

<sup>2</sup> A gigabyte (GB) is one billion bytes. One byte is equivalent to one character (digit, letter or symbol).

The municipal clerk's office does not have a wide area network (WAN). YMCO's local area network (LAN) is located in the Youngstown Computer Services Division (YCS). GBS provides support to the municipal clerk's office for the LAN. Youngstown City Hall houses both the YCS and the municipal clerk's office.

YMCO currently has 60 users (including outside agencies) which are able to connect to the PCN Solutions/RISC computer system. There are no limitations on the accessibility of the different modules for different personnel.

On March 24, 2000, the systems administrator of the City of Youngstown Municipal Court provided the State Auditor's Office (AOS) with an up-to-date computer inventory report for the municipal clerk's office, municipal court, bailiff's office and probation office. **Table 7-2** illustrates a breakdown by department based on the up-to-date computer inventory report.

**Table 7-2: Computer Equipment Summary**

Department	Number of Personal Computers (PCs)	Number of Terminals	Number of Printers
Municipal Clerk's Office	15	14	20
Municipal Court	7	3	9
Bailiff's Office	4	1	1
Probation Department	5	2	2
<b>Totals</b>	<b>31</b>	<b>20</b>	<b>32</b>

**Source:** Inventory sheets from the systems administrator for the City of Youngstown Municipal Court

### *Applications*

**Table 7-3** lists the key software applications that the municipal clerk's office uses to manage business operations. The table is categorized by module and indicates the software vendor, the platform on which the application resides at the municipal clerk's office and the implementation year.

**Table 7-3: Municipal Clerk's Office Software Applications**

Departmental Area Software Application	Vendor	Platform Application Resides On	Year <sup>1</sup>
<b>Bookkeeping Accounting/Budgetary Disbursements</b>	GBS GBS	PCN Solution/RISC Model E30 PCN Solution/RISC Model E30	2000 Has not been provided <sup>2</sup>
<b>Criminal/Traffic Module</b>	GBS	PCN Solution/RISC Model E30	2000 <sup>3</sup>
<b>Civil Module</b>	GBS	PCN Solution/RISC Model E30	Has not been provided <sup>2</sup>
<b>Parking Ticket Module</b>	GBS	PCN Solution/RISC Model E30	1998

**Source:** Documentation from GBS and the municipal clerk's office.

<sup>1</sup> This is the year which GBS has provided a majority of the functions included in this module.

<sup>2</sup> The majority of this module has not been provided as of the date of this report; however, GBS has indicated that the estimated completion date is October 31, 2000 (**F7.1**).

<sup>3</sup> The majority of this module is completed; however, GBS has indicated that the estimated completion date for this contract is October 31, 2000 (**F7.1**).

The municipal clerk's office has not implemented all of the module functions which have been provided. This is due, in part, to decisions made by the previous clerk. The current municipal clerk's office administration is in the process of developing policies and procedures to implement the use of the GBS software applications into the daily operations of YMCO.

### *Staffing*

Under the previous clerk, the functions of the systems administrator were fulfilled by the previous clerk, chief bookkeeper or various individuals as time allowed. Because of what was perceived to be small staffing numbers within the YMCO and the history of financial problems within the City of Youngstown, the municipal clerk's office could not afford to hire a full-time systems administrator. However, on May 15, 2000, the current clerk hired a full-time systems administrator.

*Performance Measures*

The following is a list of performance measures that were used to conduct the review of technology at the YMCO:

- Assessment of the history of implementing technology in the municipal clerk's office
- Assessment of the relationship and contract between the municipal clerk's office and GBS
- Effective use of software applications
- Assessment of technology fees
- Effective strategic planning
- Effective and efficient management of technology activities
- Assessment of contract compliance and procurement practices

## **Findings / Commendations / Recommendations**

### *GBS Computer & Communication Systems, Inc.*

F7.1 As a result of pressure from the Ohio Supreme Court to computerize the operations of the municipal court and the clerk of court offices, the judges and the clerk of court of the City of Youngstown (City) made a joint decision to computerize the two municipal court offices in 1997. In developing the request for proposal (RFP) to identify potential vendors, the previous clerk and the judges worked collaboratively with a representative from the Ohio Supreme Court to ensure that the RFP was designed to meet the technology needs of the two offices. In response to the RFP, the City received four bids (CCAI, Crawford Consulting, Manatron and GBS) with GBS being the lowest at \$233,000.

To evaluate the responses to the RFP, a committee was formed consisting of representatives from the municipal clerk's office, representatives from the municipal court as well as the director of management information systems (MIS) for the City of Youngstown. However, there was a disagreement among the committee members regarding which vendor to select. Specifically, it has been indicated that the prior clerk and the previous judges desired to contract with GBS while the MIS director recommended the City contract with an alternative vendor. As a result of this dispute, the MIS director was removed from the committee and in March 1998, the municipal clerk's office and the municipal court entered into a contract with GBS. The MIS director indicated that he supported an alternative vendor for the following reasons:

- The technology GBS proposed is UNIX based, whereas the MIS director preferred a "Windows" based system.
- The GBS proposal contained a significant number of "will modify" statements. These statements were for applications which were not originally included in the software package but would have to be created or modified to meet YMCO's specifications.
- The vendor which the MIS director supported had recently completed a technology contract for Mahoning County. The MIS director felt that having the same vendor as Mahoning County would be beneficial to the municipal clerk's office.

Since the implementation of the contract in March 1998, GBS and the municipal clerk's office have had a strained relationship. Consequently, at the start of this engagement in February 2000, certain software applications were still non-functional (F7.20), certain training requirements have not been met (F7.23), and certain items of equipment do not conform with the requirements of the contracts (F7.22). Some of the reasons for the strenuous relationship and the contract remaining unfulfilled in the municipal clerk's office include the following:

- A perceived unwillingness of the prior clerk to computerize the municipal clerk's office (F7.1)
- The municipal clerk's office not utilizing the software applications which have been provided by GBS (F7.5, F7.8, F7.11, F7.13, F7.14, and F7.17)
- A lack of a functioning systems administrator in the municipal clerk's office (F7.24)
- The City paying the contract in full prior to GBS completing the contract (F7.33)
- GBS utilizing imprudent business practices by invoicing the City prior to rendering the associated services (F7.32).

Since the current clerk has taken office in January 2000, several meetings have taken place between GBS, the clerk of court, the judges, law department and the representative from the Ohio Supreme Court who assisted in the developing of the RFP. These meetings were conducted with the intent of enforcing the GBS contract by identifying and rectifying any issues which may have prohibited any of the parties from complying with the agreement. As a result of these meetings, GBS has developed a detailed plan indicating the actions that will be taken, who will be responsible for ensuring that the actions are taken and the date that the actions will be taken. As of June 30, 2000, GBS has estimated that the entire contract will be fulfilled by October 31, 2000, which is approximately two and one-half years after the contract was originally signed.

**R7.1** In general, it appears that YMCO and GBS are both responsible for the inadequate technology that currently exists in the municipal clerk's office. Because technology affects all aspects of a municipal clerk's operations, YMCO should continue to enforce the GBS contract and take immediate action to incorporate the resulting technology into the daily operations. Furthermore, YMCO should implement monitoring procedures to ensure compliance with the contract and should work hand-in-hand with GBS to ensure that all problems are addressed in a timely and efficient manner. Contract monitoring should be completed by a full-time systems administrator or an employee within the municipal clerk's office who has a technology background. Successfully implementing and utilizing technology will assist YMCO in allowing for stronger cash management controls, accurate reports for case monitoring and management, increased efficiency in day-to-day operations, potential reductions in YMCO personnel and the ability to increase collections (both current and delinquent).

GBS also has an obligation to the municipal clerk's office and the municipal court as a result of entering into this contract. As indicated in **F7.20** and **Table 7-8**, YMCO needs to provide information and guidance to GBS in order for the contract to be completed. Therefore, YMCO and the municipal court should work together to provide the necessary information and guidance in a timely fashion. However, after the information has been supplied to GBS, adequate time should be given in order for the modifications to be created and proper training to be given. GBS has indicated to the municipal clerk's office and the municipal court that the estimated completion date for all provisions of the contract is October 31, 2000. If GBS fails to fulfill all obligations specified within the contract by the established date, it could result in GBS being held liable for the cost of the unfulfilled provisions of the contract.

- F7.2 The contract between GBS, the municipal clerk's office and the municipal court dictates the services which are to be provided by GBS at a specified cost. For the purpose of assessing the technology contract throughout this report, comparisons were made to peer municipal clerk of courts. The peer municipal clerk of courts chosen for this audit are the City of Canton Municipal Clerk's Office (CMCO), the City of Elyria Municipal Clerk's Office (EMCO) and the City of Lima Municipal Clerk's Office (LMCO).

In addition, Cuyahoga Falls Municipal Clerk's Office (CFMCO) has been working with GBS for over 15 years in an effort to computerize CFMCO operations. Because of its long-term relationship with GBS, CFMCO is also used in comparisons throughout this section of the report.

### *Software Applications*

- F7.3 As stated in **F7.1**, the municipal clerk's office and GBS entered into a contract which has yet to be completed. Conversations between AOS and the clerk of court indicated that there were many significant items which have not been provided to the municipal clerk's office. However, assessments by AOS staff and discussions with representatives from GBS indicated that there were many software applications which had been provided but the municipal clerk's office has not implemented them into the day-to-day operations for different reasons. **Table 7-4** shows a comparison of significant general system requirements for all software applications according to the GBS contract and proposal, what was actually provided to YMCO and whether YMCO is utilizing the functions which are available to them. **Table 7-4** also states what functions are available to Cuyahoga Falls Municipal Clerk's Office (CFMCO) which is important based upon the relationship it has with GBS.



**Table 7-4: General System Requirements for All Software Applications**

What does the RFP and contract say will be provided?	What functions does the CFMCO possess and use	Were these functions provided to YMCO and are they using them?	Contract Compliance or YMCO implementation problems
The system shall provide a customizing, easy-to-use report generator. With access to the data, the user should be able to produce ad hoc reports in a format determined by the operator.	CFMCO has a program called "Just Ask" which allows them to create reports on an as needed basis based upon pre-defined fields within the software. After proper training, it was stated the software is easy-to-use.	YMCO also has the "Just Ask" program with the same capabilities. Personnel were trained under the previous Clerk; however, they were instructed not to use it.	There are no contractual compliance issues. YMCO has not implemented this function into their daily operations.
The system shall have an integrated, on-line word processing application for forms design and correspondence production.	CFMCO has the ability to create forms and utilize pre-defined forms on an as needed basis.	Prior to this engagement, GBS did not customize the forms to YMCO's needs. However, at the time of this engagement, YMCO has been provided with the ability to create forms and to also utilize pre-defined forms. YMCO is not consistently using these forms.	There are no contractual compliance issues. YMCO has indicated that they do not use these forms consistently because they feel that they are not user friendly.
The system shall have the ability for a user to scroll through filings, pleading or journal entries on a screen using the arrow keys.	CFMCO does not have this function and did not request it.	YMCO has only been provided with full cursor movement within the Initial Case/Edit screen.	GBS has not provided full cursor movement as prescribed by the contract.
The system shall automatically track the information required by the Ohio Rules Superintendence for Municipal Courts and must generate the corresponding reports.	The CFMCO has the ability to track this information according to the Ohio Rules Superintendence for Municipal Courts and the ability to generate the applicable reports.	YMCO has the ability to create the Supreme Court Report. However, YMCO is not currently able to produce the report due to the municipal court not accepting the case management software provided by GBS.	There are no contractual compliance issues. YMCO cannot implement this function until the municipal court accepts and implements the case management software.
The system shall provide a case file status to identify the location of a particular case at any one time.	CFMCO has the ability to "sign-in" and "sign-out" cases so that they know where cases are at all times.	YMCO has been provided with this function. At the start of this engagement, YMCO did not utilize this function.	GBS provided this function at no additional cost to YMCO. YMCO has not implemented this function into their daily operations.

**Source:** The information for this table was obtained from the contract between GBS and YMCO and an interview with CFMCO on April 20, 2000.

F7.4 According to the contract, GBS was to provide an easy-to-use report generator in order to produce ad hoc reports. GBS provided YMCO "Just Ask" which is the same program which was provided to CFMCO. However, at the start of this engagement, YMCO had not implemented this program into its daily operations.

F7.5 YMCO does not consistently utilize the pre-defined forms which have been provided. The result is that the deputy clerks within YMCO are still manually preparing these forms using typewriters. YMCO has indicated that certain of the forms cannot be used due to limitations with the current hardware. YMCO further indicated that the forms were not customized to YMCO's operations and do not meet the clerk's expectations.

**R7.2** YMCO should seek further training on the "Just Ask" program and implement it into the operations of the municipal clerk's office. In addition, the municipal clerk's office should obtain training on the use of the forms provided in the system and notify GBS of additional forms which are needed. Not using the report generator results in an increased amount of time manually preparing reports which the computer software can generate quickly and efficiently. The inconsistent use of the forms on the computers also results in a lack of efficiency and time when employees can be assisting other customers.

During the course of this audit, the State Auditor's Office held status meetings with the municipal clerk's office in an effort to keep it informed as to the status of the audit. The status meetings were also conducted to provide YMCO necessary information so it could begin implementing various recommendations prior to the completion of the engagement. As a result of these meetings, YMCO has implemented the use of "Just Ask" into its daily operations as well as the use of the pre-defined forms which are available.

F7.6 GBS has not completed the contract as specified for full-cursor movement. This option would allow the ability to move throughout a document with the use of the arrow keys. As of the meeting with CFMCO on April 20, 2000, there was only one set of screens within all of the software applications which allow for full-cursor movement.

On May 2, 2000, GBS indicated that 95 percent of all entry screens allow full-cursor movement. GBS further stated that if YMCO notifies them of a screen which does not have full cursor movement, it will make the appropriate changes. GBS has set a completion date of May 31, 2000 for these software modifications.

During the course of this audit, the State Auditor's Office held status meetings with the municipal clerk's office in an effort to keep it informed as to the status of the audit. The status meetings were also conducted to provide YMCO necessary information so it could begin implementing various recommendations prior to the completion of the engagement. In addition, the municipal clerk's office conducted contract status meetings with the municipal

court, City of Youngstown Law Department, City of Youngstown Bailiff's Office and GBS to provide ongoing discussions regarding the technology contract. As a result of these meetings, GBS has implemented full-cursor movement on all screens within the software modules.

F7.7 During the analysis of the YMCO system with CFMCO, YMCO had to manually prepare the applicable reports (including the Supreme Court Reports) which were required by the Ohio Rules of Superintendency for Municipal Courts. In the contract status meeting with GBS on May 2, 2000, GBS indicated that the reporting capabilities were included in the case management software module which had been supplied to the municipal court. However, the municipal court has not implemented the case management software module into its day-to-day operations. When the municipal court has implemented the use of the case management software module, GBS will be able to modify the system for the ability to generate the Supreme Court Reports. The completion date for these software modifications can not be determined until the municipal court implements the case management software module into its operations.

**R7.3** In order to maximize the efficiency of the day-to-day operations within the municipal clerk's office, YMCO and the municipal court should work together on the implementation of the case management module within the operations of the municipal court. Implementing the case management module will benefit the municipal court and will also assist the municipal clerk's office in preparing the reports required by the Ohio Rules of Superintendency for the Courts of Ohio. Since this module is currently non-functional, YMCO must manually prepare the required reports which is inefficient.

F7.8 While GBS was developing the software applications for YMCO, it included a function which was not required in the contract. This function allows for the municipal clerk's office to "sign-in" and "sign-out" case files. The purpose of this application is to record the responsible person of a case file when it leaves the municipal clerk's office. This software application is comparable to the process which a library utilizes in order to record the responsible person when a book is removed from the library.

At the start of this engagement, YMCO had not implemented the "sign-in/sign-out" function into the daily operations of the municipal clerk's office. Personnel within the municipal clerk's office have indicated that the function is inefficient and time consuming; however, it was also indicated that no training has been provided on the utilization of the "sign-in/sign-out" function. **Table 7-4** states that CFMCO has the "sign-in/sign-out" function. The clerk of court at CFMCO has indicated that the function is very efficient and useful.

**R7.4** YMCO should implement policies and procedures in order to realize the full benefit of the "sign-in/sign-out" function which has been provided to them. In addition, YMCO should

seek training on the use of this function from GBS. Knowing the responsible party who took the case file will help the municipal clerk's office to locate the file when it is needed. Furthermore, if the case file were to become lost, YMCO would know the individual who is responsible.

During the course of this audit, the State Auditor's Office held status meetings with the municipal clerk's office in an effort to keep it informed as to the status of the audit. The status meetings were also conducted to provide YMCO necessary information so it could begin implementing various recommendations prior to the completion of the engagement. As a result of these meetings, the municipal clerk's office has begun to address this recommendation by implementing the "sign-in/sign-out" function for criminal case files.

- F7.9 **Table 7-5** shows a comparison of significant system requirements for the traffic/criminal division application software according to the GBS contract and proposal and what was actually provided to YMCO. **Table 7-5** also states what functions are available to Cuyahoga Falls Municipal Clerks Office (CFMCO) and whether YMCO is utilizing the functions which are available to them.

**Table 7-5: System Requirements for Traffic/Criminal Software Applications**

What does the RFP and contract say will be provided?	What functions does the CFMCO possess and use	Were these functions provided to YMCO and are they using them?	Contract Compliance and/or YMCO implementation problems
The system must have the capability to track all pertinent information of the court record by ORC §4507.40 and have the ability to transfer this data in the format provided by the BMV.	CFMCO has the ability to generate the BMV report. In addition, the report software automatically updates the case to reflect the date when the information was sent to the BMV.	YMCO has the ability to generate the BMV report; In addition, the software automatically updates each case with the date the information was sent to the BMV. YMCO is using this function completely.	There are no contractual compliance issues or problems noted.
The system shall allow for all entries to be automatically posted to the appearance docket.	The CFMCO software automatically posts entries to the appearance docket.	The YMCO software automatically posts entries to the appearance docket and they are no longer manually entering entries into the dockets.	There are no contractual compliance issues or problems noted
The system shall prepare a monthly summary disbursement for each account. The system shall automatically track deposit receipts and identify what monies may be properly disbursed.	The CFMCO software automatically separates the fees when the offense code is entered into the computer thereby preparing a monthly summary for disbursements.	The YMCO software automatically separates the fees when the offense code is entered into the computer thereby preparing a monthly summary for disbursements.	There are no contractual compliance issues or problems noted.
The system shall have a user-definable waiver that contains violations and corresponding costs.	The CFMCO software includes a user-definable waiver table that contains violations and corresponding costs.	The YMCO software includes a user-definable waiver table that contains violations and corresponding costs.	There are no contractual compliance issues or problems noted.
The system shall have a speeding violations table which identifies the cost of traveling specific miles per hour over the posted speed limit or notifies of the enhancement of a change due to excessive speed.	The CFMCO software includes a speeding violations table which identifies the cost based upon the specific miles per hour over the posted speed limit.	The YMCO software does not include a speeding violations table as stated within the contract/proposal.	GBS has not provided this function as specified within the contract/proposal.
The system shall generate receipts for monies received.	The CFMCO software prepares a receipt for monies received.	The YMCO software prepares a receipt for monies received.	There are no contractual compliance issues or problems noted.
The system shall automatically track bail bonds and deposits from the initial posting through final disposition.	The CFMCO software allows for the receipting of bond money and tracks it from its receipt until its disbursements.	The YMCO software allows for the receipting, tracking and disbursing of bond money; however, YMCO is not utilizing this system.	There are no contractual compliance issues. YMCO has not implemented this function into their daily operations.

**Source:** The information for this table was obtained from the contract between GBS and YMCO and an interview with CFMCO.

F7.10 According to the contract, GBS is to provide YMCO with a speeding violations table which identifies the cost of traveling specific miles per hours over the posted speed limit. This function has not been provided to YMCO by GBS; however, it has been developed and implemented at CFMCO.

This function provides a control procedure over the court assessed fines for speeding tickets. The cost of the fine is dependant upon the specific speed of the driver compared to the posted speed limit.

**R7.5** The municipal clerk's office should notify GBS regarding the absence of this function from the criminal/traffic software module and request to have it installed. The lack of having this function limits the controls over court assessed fines resulting from speeding tickets.

F7.11 The system which has been provided to both YMCO and CFMCO allows for the receipting of bond monies. In addition, it tracks the monies and also notifies personnel that disbursements can be made to the respected parties. However, as mentioned in **F7.19**, the system can not perform the disbursement functions if the monies were not receipted into the system when collected. YMCO has indicated that they have not used this function due to decisions by the previous clerk (**F7.19**).

**R7.6** YMCO should implement procedures in order to realize the benefit of the receipting, tracking and disbursing functions of bond monies which has been provided to them. Not receipting bond monies into the system requires manual record keeping of the bonds from beginning to end as well as the manual distribution of bond monies.

During the course of this audit, the State Auditor's Office held status meetings with the municipal clerk's office in an effort to keep it informed as to the status of the audit. The status meetings were also conducted to provide YMCO necessary information so it could begin implementing various recommendations prior to the completion of the engagement. As a result of these meetings, the municipal clerk's office has begun utilizing the "Open Items Report" which can be used for the tracking and disbursing of bond monies.

F7.12 **Table 7-6** shows a comparison of significant system requirements for the civil division application software according to the GBS contract and proposal and what was actually provided to YMCO. **Table 7-6** also states what functions are available to Cuyahoga Falls Municipal Clerks Office (CFMCO) and whether YMCO is utilizing the functions which are available to them.

**Table 7-6: System Requirements for Civil Software Applications**

What does the RFP and contract say will be provided?	What functions does the CFMCO possess and use	Were these functions provided to YMCO and are they using them?	Contract Compliance or YMCO implementation problems
The system shall generate the appearance docket and daily appearance docket.	CFMCO has the ability to create the civil docket.	YMCO has the ability to create the civil docket.	There are no contractual compliance issues.
The system shall automatically write all pertinent information to the permanent index and case dockets from the input screens. The system must have an area to record notes about the case from the judge or clerks.	CFMCO has the ability to enter this information. In addition, they print off the history of the case every time it goes before a judge so they know the entire history of the case.	YMCO has the ability to enter all this information and some of the information is automatically updated on the permanent index.	There are no contractual compliance issues.
The system shall generate receipts for monies received, update cash totals and interface with the appropriate bookkeeping functions.	The CFMCO software prepares a receipt for monies received and tracks the total amount received by each deputy clerk.	The YMCO software prepares a receipt for monies received and tracks the total amount received by each deputy clerk.	There are no contractual compliance issues.
Not provided in the contract	CFMCO has the ability to create "shortcut" commands which allow them the ability to format command language.	YMCO has the ability to create "shortcut" commands which allow them the ability to format command language; however, YMCO does not utilize this function.	There are no contractual compliance issues. YMCO has not implemented these functions into their daily operations.
Not provided in the contract	CFMCO has the ability to generate the report which is to be sent to "Legal News."	YMCO has the ability to generate the report which is to be sent to "Legal News." At the start of this engagement, YMCO had not utilized this function.	There are no contractual compliance issues. YMCO has not implemented these functions into their daily operations.

**Source:** The information for this table was obtained from the contract between GBS and YMCO and an interview with CFMCO.

F7.13 Because of the nature of work conducted daily, many things are required or are standard within each case. The entry of this information can be redundant and common for many similar cases and can take significant amounts of time. GBS included a function into the YMCO software applications for the creation of "shortcut" commands. These commands are defined by the user and allow for the completion of tasks within an application with just a couple of keystrokes. For example, if the phrase "City of Youngstown Municipal Clerk of Court's Office" must be typed after the entry of every case, the user could utilize the user-defined shortcut for the computer to automatically enter this information.

YMCO is currently not utilizing this function. However, **Table 7-6** indicates that CFMCO has this function and have implemented it into their daily operations. CFMCO has stated that some of the benefits of the “shortcut” command include the following:

- Standard language and information is entered efficiently and quicker than entering the information manually.
- It allows for common terms and language to be written in a consistent manner which assists the reader of the case files.

**R7.7** YMCO should seek training on the use of the “shortcut” command function provided by GBS. Because of the volume and type of transactions that are being performed, this function will assist YMCO in providing efficient customer service. In addition, entering the information in a timely manner and standardizing the information and common language will allow the information to be utilized easier and in a timely manner.

F7.14 According to ORC §2701.09, an abstract for all cases which require a legal advertisement shall be published in a law journal of the county once per week. The municipal clerk’s office is responsible for preparing this report each week and sending it to the law journal of Mahoning County. GBS included a function in the YMCO civil application software which will prepare the report needed to send the information to the law journal each week. At the start of this engagement, the municipal clerk’s office was preparing this report manually. CFMCO has indicated that using the report generator from the GBS software saves approximately two to three hours each week.

**R7.8** YMCO should implement policies and procedures to report all cases as required by ORC §2701.09. Furthermore, the municipal clerk’s office should seek training on the use of the report generator for this function of the civil application software. The manual preparation of the weekly report is an inefficient use of time. In addition, the manual preparation allows for the potential of human error in omitting cases which must be publicized weekly resulting in a failure to comply with ORC §2701.09.

During the course of this engagement, the State Auditor’s Office held status meetings with the municipal clerk’s office in an effort to keep it informed as to the status of the audit. The status meetings were also conducted to provide YMCO necessary information so it could begin implementing various recommendations prior to the completion of the engagement. As a result of these meetings, the municipal clerk’s office has begun utilizing the reports to be used for the “Legal News.”



F7.15 **Table 7-7** shows a comparison of significant system requirements for the bookkeeping software according to the GBS contract and proposal and what was actually provided to YMCO. **Table 7-7** also states what functions are available to the Cuyahoga Falls Municipal Clerks Office (CFMCO) and whether YMCO is utilizing the functions which are available to them.

**Table 7-7: System Requirements for Bookkeeping Software Applications**

What does the RFP and contract say will be provided?	What functions does the CFMCO possess and use	Were these functions provided to YMCO and are they using them?	Contract Compliance or YMCO implementation problems
The system shall provide the necessary information to issue checks from each court account.	CFMCO does not have the ability to print checks from their system; however, they are in the process of developing this procedure.	YMCO has not been provided with this function.	GBS has not provided this function as required by the contract.
The system shall have a daily balance and editing procedure which reconciles each court employee's cash drawer with receipts, monies collected and pointers to the receipt journal.	The CFMCO software generates a report of total receipts collected by each employee each day.	The YMCO software generates a report of total receipts collected by each employee each day. YMCO has been using this function since it has been implemented.	There are no contractual compliance issues.
The system must be able to accept and track deposits and shall list a report identifying all monies not distributed for bonds (Open Items Report).	The CFMCO software generates an Open Items Report.	The YMCO software has the ability to generate an Open Items Report. At the start of this engagement, this was not being used by YMCO.	There are no contractual compliance issues. YMCO is not using this function that has been provided to them.
The system shall have a warrant tracking function which includes issuance status and disposal information. The system shall track all outstanding warrants and generate appropriate reports and notices on demand.	The CFMCO software generates a warrant register which tracks both the issuance and disposal information. This also aides in the monthly reconciliations.	GBS indicated that the YMCO software has the ability to generate a warrant register which tracks both the issuance and disposal information. YMCO is not utilizing this function.	There are no contractual compliance issues. This function has not been placed into daily operations.

**Source:** The information for this table was obtained from the contract between GBS and YMCO and an interview with CFMCO.

F7.16 YMCO has not been provided the ability to prepare computer generated checks from its bookkeeping software application. GBS fully agrees with this assessment and has been working on developing and implementing it for both CFMCO and YMCO. A completion and installation date of September 30, 2000 has been set by GBS for this software modification. Computer generated checks are quicker and easier to prepare as well as allow for the creation of reports which would normally be prepared manually.

F7.17 GBS has provided to the municipal clerk's office a warrant register function which tracks checks. This function allows for the generating of an open check report during monthly bank reconciliations. This function is suppose to interact with the computer generated check writer; however, as indicated in **F7.16**, YMCO has not yet received the ability to create

computer generated checks. GBS has indicated that warrant check register can still be utilized to track the checks which the municipal clerk's office is manually preparing.

**R7.9** YMCO should work with GBS in order to gain the full realization of the computer check generator and the warrant register function of the bookkeeping software applications. Due to the volume of checks disbursed each month, manually preparing checks, check registers and open check reports is inefficient and time consuming. In addition, computer generated checks strengthen the internal controls over the cash disbursement process.

F7.18 According to the contract, GBS was to include a report in the bookkeeping software application which allows for the reconciliation of individual cash drawers. This capability was included in the system by GBS as outlined by the contract. However, the report is only used when there is a problem balancing the cash drawers as a whole at the end of the evening. See the **cash management** section of this report for further discussion.

F7.19 The open items function which has been provided to the municipal clerk's office is for the disbursements of bond monies after the requirements have been met. This function was one of the original software functions provided to YMCO; however, it has not been used.

The chief bookkeeper has indicated the reason this software function has not been implemented is due to decisions made by the previous clerk. When it was introduced during the previous clerk's administration by GBS, neither the employees nor the previous clerk were ready to start receipting bond monies into the system. Therefore, the previous clerk of court postponed the implementation until a later time. Without receipting the monies into the system, the open items function cannot be fully utilized. See **F7.11**, **R7.6** and the **cash management** section for further discussion.

F7.20 In addition to the findings and recommendations previously noted in this section of the report, there are other software issues which were not discovered during AOS's review with CFMCO. Some of these issues are illustrated in **Table 7-8** along with the response from GBS.

**Table 7-8: Additional Software Issues not Previously Discussed**

Issue Raised by YMCO	Response by GBS
The system was to include a personnel record system which maintains an employee database, recording sick leave, vacation time and other such information pertinent to the administration of the office.	The previous administration indicated to GBS that this application was not needed. In order to fully implement this module, GBS indicated that YMCO must provide additional information to GBS.
The trusteeship, rent escrow and landlord tenant modules are not complete or installed into the software system.	These modules have been recently installed and are close to completion. Additional information is needed from YMCO before the modules can be completed. The delay is due to the postponement of the implementation plans by the previous administration.
The system shall automatically generate notices and update the warrant file for failure to appear.	The previous administration indicated that bench warrants would be manually prepared. The only automatic notices which the previous administration requested were summons or to-pays. GBS needs more information and guidance from YMCO personnel to complete this function.
When issuing a receipt, the system should be able to identify multiple notations for payments of more than one case.	Although GBS has recently modified this function, YMCO is not using it. GBS will train YMCO personnel on how to use this function correctly.
The municipal clerk's office should have the capability to balance the "window" cash drawer at any time during the day without formally closing the cash drawer at the end of day.	In order to do this, a sign-in procedure must be used; however, this was not accepted by the previous administration. This will be reviewed with the current administration and changes will be made as requested and needed.
When the defendant has pending cases, prior cases, owes money and has an active warrant, probation stipulation or other post judgment conditional releases, the system shall provide a means to identify or "flag the operator" at the time a case is created or accessed.	The current system can only "flag" one entry per case. YMCO personnel must provide GBS with the specifications. GBS indicated that it will complete the modifications.
The contract called for an E-mail software system. The only thing installed was "Fine-Line Messaging" which is an internal E-mail software function.	Fine-line messaging is an internal service only and does not provide E-mail outside the YMCO network. The previous administration did not want the capability of external E-mail. The current system would need to be modified for Internet access. The current administration will need to advise GBS on their wishes and desires. Modifications will then be completed and implemented.

**Source:** Interview with YMCO personnel; responses from GBS from May 2, 2000 meeting; and contract status meeting on June 23, 2000

**R7.10** In order for GBS to complete its obligations stated within the contract, it needs additional information and guidance from YMCO on various items. Therefore, YMCO should provide all information requested by GBS including the following:

- Additional information is needed from the municipal clerk's office regarding the trusteeship, rent escrow and landlord tenant modules in order for GBS to complete these modules and make them functional.
- Additional information is needed from the municipal clerk's office regarding the personnel record system in order for GBS to complete this module and make it functional.
- Additional information and guidance is needed from the municipal clerk's office in order to prepare the bench warrant function in the software modules.
- Guidance is needed on the "sign-in" security before GBS can implement this function into the software modules.
- Advice is needed from the municipal clerk's office on the type of E-mail which is desired. After the input has been received, GBS can make the modifications.

During the course of this audit, the State Auditor's Office held status meetings with the municipal clerk's office in an effort to keep it informed as to the status of the audit. The status meetings were also conducted to provide YMCO necessary information so it could begin implementing various recommendations prior to the completion of the engagement. As a result of these meetings, YMCO has taken actions to address this recommendation including the following:

- Provided additional information to GBS regarding the trusteeship, rent escrow and landlord tenant modules
- Provided additional information to GBS regarding the personnel record system
- Provided guidance to GBS regarding the bench warrant function
- Spoken with GBS regarding the current functionality of the E-mail system and the type of E-mail system desired.

Hardware

F7.21 A hardware system is one of the most important aspects of any computerized operations. If the hardware system is not efficient or dependable, then the daily operations of the entity can not be completed in a timely and efficient manner. However, the technicians available for assistance when problems are encountered are as important as the hardware system.

YMCO has indicated that GBS has not always provided quality technicians to meet the needs of the municipal clerk's office. On one occasion, GBS sent a printer technician to the municipal clerk's office to troubleshoot a network problem.

F7.22 **Table 7-9** compares the cabling specifications as listed in the request for proposal (RFP) as well as in GBS's response to the RFP. In addition, **Table 7-9** also shows what services were initially provided by GBS.

**Table 7-9: Cabling Specifications and Comparison**

Areas to Receive Cabling	Specifications in RFP	Response to Proposal <sup>1</sup>	Actually Received	Specifications Met
From the Data Center to user locations	CAT5 Cables	CAT5 Cables	CAT5 Cables	Yes
Hub-patch panel connections	CAT5 Cables	CAT5 Cables	Telephone Cables	No
Base Cords for user end connections	CAT5 Cables	CAT5 Cables	Telephone Cables	No

Source: Original RFP from City of Youngstown Municipal Clerk of Court's Office; Response to RFP submitted by GBS Computer & Communication Systems

<sup>1</sup> GBS's response to the RFP was submitted by the vice-president of the corporation on May 12, 1997. In addition, it was also stated that there was a five year warranty on all GBS cabling which included the labor and wires.

Speed is the main benefit of CAT5 cables rather than other types of cables. The speed at which information can travel from a server to the terminal is the direct cause to the amount of information that can be obtained in a certain period of time. The minimum speed of CAT5 cable is 100 MB per second; however, the minimum speed of telephone cable is approximately 56 KB per second. When large amounts of information are traveling at slow speeds, the system "locks up" which decreases the efficiency of the system.

It was discovered that GBS did not install the CAT5 cable as specified by the RFP and the proposal for the hub-patch panel connections. GBS actually installed telephone cable to serve as the hub-patch cable connectors. The failure to install the correct cable resulted in terminals and personal computers (PCs) "locking up" while in use. The "locking up" resulted in the inability for clerk and court personnel to complete responsibilities in a timely manner.

GBS has indicated that the telephone cable would be replaced with CAT5 cable as specified in the contract. GBS set a completion date of May 26, 2000 and would perform these services at no additional cost to the municipal clerk's office or to the City of Youngstown. In addition, GBS has put in place a "usage log" for YMCO. This log is to be completed by a YMCO user whenever their PC/terminal "locks up" and is to be faxed immediately to the contact person for YMCO. GBS will monitor the results and will make changes as needed.

**R7.11** Due to the importance of the hardware system in the day-to-day operations of the municipal clerk's office, a strong relationship is required between YMCO and GBS in order to have an efficient and dependable hardware system and a good working relationship. The strength of the hardware system and the relationship is hinged on communication between all parties involved. In order to strengthen the efficiency of the hardware system and the communication between YMCO and GBS, the following should be implemented immediately:

- YMCO should assign qualified personnel who are able to assist GBS in the monitoring and implementation of the hardware system and in correcting any problems which may exist (**R7.13**).
- YMCO should implement monitoring procedures to ensure contract compliance (**R7.1**).
- GBS should assign personnel who are qualified for the specific needs of the municipal clerk's office.
- GBS should replace all cables which were incorrectly installed within the municipal clerk's office and the municipal court.

During the course of this audit, the State Auditor's Office held status meetings with the municipal clerk's office in an effort to keep it informed as to the status of the audit. The status meetings were also conducted to provide YMCO necessary information so it could begin implementing various recommendations prior to the completion of the engagement. In addition, the municipal clerk's office conducted contract status meetings with the municipal court, City of Youngstown Law Department, City of Youngstown Bailiff's Office and GBS to provide ongoing discussions regarding the technology contract. As a result of these meetings, both YMCO and GBS have both addressed this recommendation including the following:

- YMCO has hired a full-time systems administrator for the implementation of technology within the municipal clerk's office and the monitoring of the GBS contract (**F7.24** and **R7.13**).

- GBS has indicated that only senior level technicians will be dispatched to YMCO for on-site hardware visits. All senior level technicians are “A+” certified and experienced in all product lines. The only time a senior level technician may not be sent is for a problem with the UNIX server when GBS will dispatch a technician with UNIX expertise.
- GBS has replaced all cables within the municipal clerk’s office and the municipal court according to the specifications outlined in the RFP and contract.

*Training*

F7.23 GBS included the cost for training of all City of Youngstown Municipal Clerk and Municipal Court employees within the contract. All training is to be conducted at the municipal clerk’s office and on all modules. YMCO personnel have indicated that no formal training has been provided to them by GBS. The chief bookkeeper indicated that she was trained informally on how to use certain functions and was responsible for training the other municipal clerk’s office employees.

GBS indicated in a meeting on May 2, 2000 that training was offered and given to select employees several times under the previous administration including four training sessions on Microsoft Word and two training sessions on Just Ask Report Writer. However, after discussions with the clerk of court, judges and city attorney, GBS is offering to train municipal clerk’s office employees on the following software applications: case management, criminal/traffic, civil, bookkeeping, Just Ask Report Writer, Microsoft Word and Microsoft Excel. In addition, all training will be provided at the City of Youngstown with the exception of the Microsoft Word and Excel training which will be provided in the Youngstown office of GBS. Written manuals will be provided and all training will be provided at the convenience of YMCO.

**R7.12** YMCO should assess the training needs for the municipal clerk’s office employees and make training of employees a high-level priority. The municipal clerk’s office should establish training on all computer functions for all employees. In addition, training should be an ongoing project in the municipal clerk’s office in order for the employees to utilize all functions which are available to them through the computers and various software applications.

One option of training which GBS could provide is using both instructional training and hands-on application training. Instructional training from GBS will allow employees to see how the system works, take notes on the steps and procedures and ask thought-provoking questions. The hands-on application training will allow YMCO employees to utilize the software applications while under the guidance of GBS. GBS should also provide a manual

to the YMCO for future reference and the training of new employees. The municipal clerk's office should work with and assist GBS in assessing the training needs of the municipal clerk's office employees.

During the course of this audit, status meetings were held with the municipal clerk's office in an effort to keep it informed as to the status of the audit. The status meetings were also conducted to provide YMCO necessary information so it could begin implementing various recommendations prior to the completion of the engagement. In addition, contract status meetings were also conducted between the municipal clerk's office, municipal court, City of Youngstown Law Department, City of Youngstown Bailiff's Office and GBS to provide ongoing discussions regarding the technology contract. As a result of these meetings, GBS and the municipal clerk's office have set tentative dates when employees will be trained on individual software modules as well as the entire system functions. All training is scheduled to be completed by October 31, 2000.



## *Organization and Staffing*

F7.24 According to the contract between the municipal clerk's office and GBS, a position titled "Systems Administrator" must be created. This position is responsible for the implementation and monitoring of the technology related functions within the municipal clerk's office and to provide technical support to the employees of the municipal clerk's office.

The previous clerk created a systems administrator title; however, the title was given to the individual in charge of the bookkeeping functions within the municipal clerk's office. At that time, there was minimal staffing within the bookkeeping department which meant that the newly appointed systems administrator could not devote significant periods of time towards monitoring technology related functions.

The current clerk did not initially create a system administrator position dedicated specifically to the technology functions of the municipal clerk's office. This limitation may allow for the purchase of equipment or software that is not compatible with existing YMCO systems or that is outdated due to the continuing advancement of technology. Additional examples of where this limitation may effect the municipal clerk's office are as follows:

- Technology - Not effectively and timely implementing technology to enhance the operations with the municipal clerk's office (F7.1).
- Strategic Planning - The municipal clerk's office does not have a comprehensive technology plan (F7.27).
- Inventory and Software Licenses - The municipal clerk's office does not have a centralized inventory of software and software licenses (F7.30).
- Computer Maintenance and Repairs - The municipal clerk's office does not have a centralized process for completing routine maintenance, repairs and upgrades to existing computers.

In comparison, the City of Lima Municipal Clerk's Office (LMCO) does have a full-time systems administrator who is responsible for all implementation and monitoring of all technology related items within LMCO. In addition, this individual provides training to all employees within LMCO on the different functions and software applications of their computer packages and also monitors maintenance, repairs and upgrades to make sure that the computers are staying up-to-date. CFMCO also has a systems administrator to assist clerk of court and GBS employees. In addition, the systems administrator at CFMCO is responsible for interacting with the municipal court for computer-related issues.

The yearly salaries for the systems administrator positions at the peer municipal clerk's range from \$40,837 per year to \$56,400 per year with a peer average of \$47,912 per year. Of the total salary for the systems administrator at LMCO, 50 percent is paid out of the municipal clerk's office budget and 50 percent is paid out of the computer account which LMCO has created. The funding for this account is in relation to ORC §1901.261(B)(1) (**F7.26** and **Table 7-10**).

**R7.13** The municipal clerk's office should establish a full-time systems administrator position that reports directly to the clerk. Having a reporting relationship directly to the clerk allows key technology issues to receive the high level of attention necessary to ensure that major technology purchases will help achieve the municipal clerk's office broad goals. In addition, reporting to the clerk would ensure that all technology standards are applied resulting in standardized technology training, maintenance and operational efficiencies.

The systems administrator position should also work cooperatively with the municipal court systems administrator, judges and City technology department. Interaction with these individuals will create a stronger network between the municipal clerk's office, municipal court and judges. In addition, more personnel will understand the system which will be beneficial in future training of employees, addressing network/system problems and implementing future upgrades to the network/system.

Given the past problems with implementing and maintaining technology, as well as the communication problems with GBS, YMCO should consider filling this position immediately. The constant advancement of technology and associated software, hardware replacements and upgrades are examples of critical technology projects which will require technical leadership to ensure that systems are properly implemented. In addition, this individual will be able to provide assistance in the implementation of the current contract with GBS.

The individual promoted or hired for the systems administrator position should possess a degree in the computer science field and relevant work experience and knowledge to manage the technology throughout the municipal clerk's office. In interviewing individuals for the systems administrator position, the clerk should ensure that having an appropriate technical background and management skills are the primary requirements.

*Financial Implication:* Assuming benefits are equivalent to 30 percent of the annual salaries, the cost of the full-time systems administrator position is expected to range from \$53,088 to \$73,320 in annual salary and fringe benefits. This cost can be offset by the additional funding generated from implementing ORC §1901.261(B)(1) (**F7.26** and **R7.15**).

During the course of this audit, the State Auditor's Office held status meetings with the clerk's office in an effort to keep it informed as to the status of the audit. The status meetings

were also conducted to provide YMCO necessary information so it could begin implementing various recommendations prior to the completion of the engagement. As a result of these meetings, the municipal clerk's office has hired an individual to fill the systems administrator position.

F7.25 At the start of this engagement, there were no job descriptions within the municipal clerk's office for technology positions. Not having detailed job descriptions prevents the municipal clerk's office from attracting qualified candidates for vacant positions. In addition, staff cannot be properly evaluated when there is no specified criteria which they are going to be evaluated against.

**R7.14** The municipal clerk's office should create detailed job descriptions for all technology positions so the duties and required knowledge/skills more accurately reflect the basic functions needed to support the municipal clerk's office technical operations. Once the job descriptions are properly created, management will be better able to evaluate the technical staff and help ensure that technical staff remain qualified.

The main duties to include in the job descriptions should include but are not limited to the following:

- Assist in the development and administration of the technology budget
- Assist in the acquisition, use and maintenance of technology hardware and software
- Coordinate with departments within the municipal clerk's office in the use of computers
- Develop, evaluate and update the municipal clerk's office technology plan
- Manage the network system
- Provide technical assistance to municipal clerk's office personnel regarding technology
- Assist as a liaison between the municipal clerk's office, municipal court, judges and City technology department.

In addition, the job descriptions should also state the proper education required to fulfill this position as well as the relevant work experience and knowledge needed to manage technology throughout the municipal clerk's office.

During the course of this audit, the State Auditor's Office held status meetings with the clerk's office in an effort to keep it informed as to the status of the audit. The status meetings were also conducted to provide YMCO necessary information so it could begin implementing various recommendations prior to the completion of the engagement. As a result of these meetings, the municipal clerk's office has created a job description for the system administrator.

*Overall Planning and Management*

F7.26 According to ORC §1901.261(A)(1), “a municipal court may determine that for the efficient operation of the court, additional funds are required to computerize the court, to make available computerized legal research services, or to do both.” ORC §1901.261(A)(1) states also that this fee can be equal to, but not exceed \$3.00 on the filing of each cause of action or appeal equivalent to the ones mentioned in ORC §2303.20.

In addition, ORC §1901.261(B)(1) states that an additional fee not to exceed \$10 can be assessed “on the filing of each cause of action or appeal, on the filing, docketing, and endorsing of each certificate of judgment, or on the docketing and indexing of each aid in execution or petition to vacate, revive, or modify a judgment” to be used for the “actual cost to the court of procuring and maintaining computer systems for the office of the clerk of the municipal court.”

**Table 7-10** shows the fees charged by YMCO and the peer municipal clerk offices as allowed by ORC §1901.261(A)(1) and ORC §1901.261(B)(1).

**Table 7-10: Schedule of Computerization Fees**

	Youngstown	Canton	Elyria	Lima	Peer Average
<b>Court Computerization fee per case, ORC §1901.261(A)(1)</b>	\$3.00	N/A <sup>1</sup>	\$3.00	\$3.00	\$3.00
<b>Clerk of Court Computerization fee per case, ORC §1901.261(B)(1)</b>	N/A <sup>1</sup>	\$5.00	\$10.00	\$7.00	\$7.33

**Source:** Fee schedules from the individual municipal courts

<sup>1</sup> No fees are charged; therefore, will not be included in the peer average.

According to these two sections of the ORC, the revenues generated from these additional fees are to be placed into their own separate funds and can only be used by the respective entities for technology related expenditures and computerized legal research services.

**R7.15** YMCO should consider implementing a computerization fee stated in ORC §1901.261(B)(1). This fee should be established at a level between \$5.00 and \$7.00 per case. Implementing the computerization fees would generate additional funds for future technology expenditures within the municipal clerk’s office. In addition, it may be possible for YMCO to utilize some of this funding to pay the system administrator’s salary. According to the 1999 annual report, YMCO handled approximately 11,330 new criminal and civil cases to which this fee could be assessed.

*Financial Implication:* Based upon the number of new criminal and civil cases handled by YMCO during calendar year 1999 and a computerization fee between \$5.00 and \$7.00 per case, the municipal clerk's office could realize annual additional revenues of between \$56,650 and \$79,310 respectively. The amount of additional revenues can increase significantly if the municipal clerk's office can decrease their uncollectible rate.

F7.27 The municipal clerk's office does not have a comprehensive strategic technology plan. Without a comprehensive strategic technology plan, YMCO can not accurately plan for technology reviews, upgrades and purchases. In addition, without a proper strategic plan, budgets can not be created to help in the allocation of monies for technology related purchases.

**R7.16** The municipal clerk's office should develop a comprehensive long-term strategic technology plan that incorporates all division systems. In essence, the plan should describe the YMCO's long-term objectives and how technical staff, funding and resources will help the municipal clerk's office achieve these long-term objectives. The long-term strategic technology plan should be tied to the operations within the municipal court and City to ensure effective and efficient operations between the related entities. The technology systems administrator should be involved in the development, implementation and monitoring of the long-term strategic technology plan. The municipal clerk's office should also establish an annual review and revision process that will allow the strategic plan to evolve with changes in the City of Youngstown, the local community and the field of technology.

Should YMCO implement a wide-area network (WAN), a strategic plan that covers all operations within the municipal clerk's office is necessary to effectively manage and utilize this network. The coordination of business operations and educational technology activities helps prevent the purchasing or development of incompatible systems that must later be redesigned or replaced. The municipal clerk's office technology plan should address the sequential implementation of different agency operations that use the data from the municipal clerk's office to ensure that these systems will be able to properly interface with each other.

The following steps should be taken to implement the municipal clerk's office planning process:

- Identify and analyze the municipal clerk's office administrative and departmental environment that the strategic technology plan must support
- Define key goals and objectives of the municipal clerk's office and establish measurable success factors for those administrative and departmental areas
- Evaluate how existing hardware and software applications support the long-term goals and objectives of the municipal clerk's office
- Research significant industry trends relating to technology and governmental institutions or other public sector organizations

- Determine what technology is needed to help the municipal clerk's office achieve its long-term goals and objectives
- Identify user requirements for software applications as well as e-mail and Internet software
- Develop an implementation plan.

The result of this process should be a step-by-step action plan detailing how the municipal clerk's office expects to meet its long-term goals and objectives given the existing technical architecture. The architecture is a blueprint that specifies the technical infrastructure (hardware, network configuration and system software), software application systems and database design. The proposed strategic technology plan should contain the following elements:

- Realistic detailed timetable
- Funding requirements and funding sources
- Individuals responsible for implementation
- Estimated resource requirements to implement actions including consultants, contractors or in-house staffing
- Expected benefits
- Benchmarks to determine progress in meetings standards.

The timetable should be realistic in estimating the municipal clerk's office commitment to the implementation of new technologies. YMCO will not be able to quickly finance or support major changes in technology. A sound methodology will help YMCO to implement high quality applications with less risk and at a lower cost. The strategic plan as well as the budget should also address the issue of upgrades and future replacement of computer equipment as well as software and associated staff development. Upgrades and replacements are important issues that YMCO should incorporate into its planning and budgeting process.

F7.28 YMCO does not have a computer disaster recovery plan. According to the March 2000 report titled "Recommended Practices for State and Local Governments" from the Government Finance Officers Association (GFOA), "state and local governments have a duty to ensure that disruptions in the provision of essential services are minimized following a disaster." In addition, YMCO may not be able to provide the required information to other governmental entities in the event of a disaster.

**R7.17** YMCO should establish policies and procedures for minimizing potential disruptions following a disaster. The policies and procedures should be updated on a regular basis and should include the following:

- Assign individuals responsible for implementing and monitoring the disaster recovery plan
- Require the creation of back-up data on a regular basis and the preservation of such data
- Make provisions for the processing of data following a disaster at a location other than the current daily operations
- Provide detailed instructions for restoring disk files.

In addition, a copy of YMCO's computer disaster recovery plan should be kept at a secure, off-site location to ensure its availability in the event of a disaster. Back-up files should be kept in a safe location, such as a fire-proof vault, in the event of a disaster. The computer disaster recovery plan should be tested on a periodic basis to eliminate any potential problems and so that all individuals are familiar with their responsibilities.

F7.29 YMCO does not have a computer use policy for the employees of the municipal clerk's office. The absence of the policy exposes the municipal clerk's office and the City of Youngstown to the risk that employees will use equipment for improper and inappropriate personal use.

**R7.18** The municipal clerk's office should develop a comprehensive computer use policy that addresses the use of YMCO equipment by staff personnel. Some topics to be addressed should include the following:

- Personal use of YMCO equipment
- System security and management of passwords
- Copyright laws
- Sabotage and vandalism
- Employment termination and cancellation of privileges
- Software license violations.

A comprehensive policy will make YMCO staff aware of the potential dangers computer equipment and software are exposed to in a network environment and minimize the abuse of computer and software privileges.

F7.30 The municipal clerk's office does not have a secure, centralized location where all software, software licenses, documentation and warranties are located. Maintaining this information in a secure, centralized location ensures that this information is only accessible to authorized personnel and is available when it is needed. Failure to adequately secure licensed software

by the municipal clerk's office allows for the potential illegal use of software, software licenses, documentation and warranties.

In addition, there is no tracking being performed on the use of software or warranty information on computer hardware. The tracking of software and software licenses is necessary because the use of unauthorized software is illegal. Tracking warranties on computer hardware could reduce the computer repair and enforce those hardware standards which YMCO is entitled to under the warranties.

**R7.19** The municipal clerk's office should develop a comprehensive listing of all software, software licenses, documentation and warranties. In addition, these important items should be kept in a secure, centralized area to prevent access by unauthorized personnel. YMCO should also establish a database to track software licenses and warranty information for computer hardware. In addition, the municipal clerk's office should perform an annual physical inventory of the software licenses to ensure that the software is still on the assigned hardware and unauthorized software is not being used within YMCO. All of these procedures and functions should be performed by the systems administrator.

F7.31 YMCO does not maintain an up-to-date inventory of its technology equipment. However, the City of Youngstown Municipal Court was able to provide an up-to-date computer inventory for the municipal court, municipal clerk's office, probation office and bailiff office.

Not having an up-to-date inventory of technology equipment maintained by the municipal clerk's office exposes YMCO to risks. In addition, the maintaining of an inventory listing by the City of Youngstown Municipal Court exposes a problem of misappropriation when items have been purchased or sold without the knowledge of City of Youngstown Municipal Court personnel.

**R7.20** The municipal clerk's office should develop policies and procedures for maintaining an up-to-date inventory of technology equipment. In addition, YMCO should implement procedures with the City of Youngstown Municipal Court to ensure that the two departments are not duplicating efforts in maintaining computer fixed asset inventories.

To ensure accuracy and completeness of the fixed asset data and to deter misappropriation of assets, YMCO should conduct an annual physical inventory and perform selective testing on a quarterly basis. If equipment was damaged, stolen or lost in a disaster, YMCO would not have any documentation for insurance purposes. In addition, an up-to-date inventory can assist the municipal clerk's office in planning for upgrades and future replacements of computer equipment as well as software licenses.



*Contract Compliance and Procurement Practices*

F7.32 According to the Request for Proposal (RFP) dated April 25, 1997, "Initial invoices shall not be received or processed until the performance period is successfully completed and the system is certified operational by an authorized representative of the court." The RFP further states, "The performance period shall begin on the installation date and shall end when the system has met the standards of performance identified in this RFP for a period of 30 consecutive days by operating in conformance with the vendor's specifications (as set forth in the vendor's operations manual for the system ordered or as quoted in the vendor's proposal) and in conformance with this RFP at an effectiveness level of 95% or more."

The clerk of courts, the chief bookkeeper and the vice-president of municipal court and software at GBS indicated that there is no documentation supporting the compliance with this part of the RFP by the previous clerk of court at YMCO. In addition, GBS indicated that the previous administration would modify the contract and state that certain items included in the RFP were no longer needed or required (**F7.20** and **Table 7-8**).

**R7.21** During the implementation and monitoring of future contracts, YMCO should develop and implement procedures for the review and acceptance of services or products received. Failure to follow the methods of acceptance included within a RFP or a contract could potentially result in the acceptance of an inadequate system. For example, YMCO's failure to follow the proper procedures outlined in the RFP and contract indicated that the municipal clerk's office accepted the system whether or not the system performed as indicated.

F7.33 The RFP gives further direction on when the vendor may invoice for services after the performance period has passed on the system. The directions outlined in the RFP are as follows:

- All hardware and cabling costs can be billed after successful installation, a 10 day "burn-in" period, delivery of a notarized statement by the owner that equipment is free and clear of any lien and transfer of a free and clear title to all hardware.
- Upon successful completion of the performance period and receipt of the system acceptance letter, 50 percent of the remaining not-to-exceed fixed price may be billed.
- The remainder of the not-to-exceed fixed price may be billed 30 days following the previous invoice date and upon successful completion of all applications training.

The previous clerk of court had the authority for approving all payments to GBS. Review of the invoices from GBS and the requests for payment which are sent to the City of Youngstown Finance Department (finance department) revealed the signature of either the

previous clerk of court or the chief deputy clerk authorizing for payment to be made by the finance department.

As indicated in **F7.22** and **Table 7-9**, the cabling provided by GBS did not follow the specifications outlined in the RFP or the contract. However, there is no documentation stating the acceptance of the cabling after a 10 day “burn-in” period or a notarized letter as required by the RFP. In addition, the performance period procedures indicated in the RFP were not followed by YMCO (**F7.33**). All payments made to GBS should have been based upon the acceptance during the performance period.

**R7.22** When making payments for future contracts, YMCO should implement procedures to ensure that the services were in compliance with the contract and that the services were properly authorized. Failure by YMCO to determine if the cabling received from GBS was in compliance with the contract and RFP resulted in the acceptance of services which were not complete and payment made prior to completion. In addition, failure to follow the guidelines set forth in the RFP for system acceptance in the performance period resulted in the total payment of the contract prior to its completion. Failure to monitor contract compliance could result in making expenditures for services which were not received at all or for services which were not required to be received.

During future contract negotiations, YMCO should take great care in designing the RFP and thoroughly analyzing all responses to the RFP from possible vendors. Failure to accurately prepare the RFP and properly analyze all responses may result in the acceptance of a bid which does not include all services which are needed. In addition, it allows for the potential of accepting a proposal which is purposefully underestimated.

F7.34 In addition to the initial contract and the addendums, there were also several services provided to YMCO by GBS under a “verbal” purchase agreement. A “verbal” purchase agreement is where there is no approved purchase order and no approval for the expenditure of funds. The approximate amount expended under these “verbal” purchase agreements is \$1,800 including a purchase in the amount of \$1,380 made by the previous clerk of court. See the **cash management** section of this report for further analysis.

## Financial Implications Summary

The following table is a summary of additional revenues and estimated annual implementation costs from the aforementioned recommendations.

Recommendation	Estimated Annual Additional Revenues	Estimated Annual Implementation Costs
<b>R7.13 Hiring full-time technology systems administrator</b>		\$53,088 - \$73,320 <sup>1</sup>
<b>R7.15 Implementation of clerk of court computerization fee per case</b>	\$56,650 - \$79,310 <sup>1</sup>	
<b>Total</b>	<b>\$56,650 - \$79,310</b>	<b>\$53,088 - \$73,320</b>

<sup>1</sup> The salary of the full-time systems administrator can be, in part, funded by the implementation of the clerk of court computerization fee.

In addition to the above annual implementation costs, the municipal clerk's office could incur further costs related to technology. However, these costs will be necessary in order to maintain and upgrade YMCO's current hardware and software applications. Furthermore, additional costs may be necessary in order to implement other technology capabilities, such as the Internet.

## **Conclusion Statement**

Computerization of the daily operations should become a high-level priority within the City of Youngstown Municipal Clerk of Court's Office (YMCO or municipal clerk's office). The contract entered into between the municipal clerk's office, City of Youngstown Municipal Court (municipal court) and GBS Computer and Communication Systems, Inc. (GBS) was a result of pressure from the Ohio Supreme Court to computerize the day-to-day operations of these two entities. However, there appears to have been an unwillingness by the prior clerk to computerize the municipal clerk's office which has, in part, prevented the municipal clerk's office from fully computerizing its daily operations. In addition, poor management of the contract, lack of communication between related parties and imprudent business practices by GBS have resulted in the following: failure to complete a contract signed in March 1998, failure to implement software modules provided by GBS, as well as a potential overpayment of the contract to GBS.

Funding for future computerization expenditures should also become a concern within the municipal clerk's office. The Ohio Revised Code (ORC) includes legislation which requires judicial approval to implement a fee to be used for the computerization of the municipal clerk's office. Currently, the municipal clerk's office is unable to implement this fee due to a lack of judicial support. If this fee is implemented, YMCO will be able to make future technology expenditures and maintain a level of efficiency resulting from computerized operations.

The municipal clerk's office needs to make significant improvements in the implementation and management of its technology. At the time of this engagement, there was no individual responsible for fulfilling the role of the systems administrator position. In addition, the municipal clerk's office is implementing technology without a comprehensive strategic technology plan or a computer disaster recovery plan. The lack of a comprehensive strategic technology plan or computer disaster recovery plan results in the inability to adequately prioritize all system projects. Furthermore, YMCO is unable to prepare a detailed timetable which identifies future financial requirements for maintaining efficient technology operations.

YMCO should train all their employees on both the computer applications and software applications related to their job. At the time of this engagement, no training has been provided to the municipal clerk's office employees on how to adequately and properly utilize the software applications supplied by GBS. In addition, personnel are trying to utilize a system which they do not fully understand which results in a lack of confidence in a system which is designed to enhance the day-to-day operations within the municipal clerk's office.

Even though YMCO has experienced many problems regarding the implementation of technology into the daily operations, it should be commended for the progress that has been made. YMCO and GBS have been working hand-in-hand for approximately the past four months in order to complete this contract as quickly and efficiently as possible. In addition, YMCO has hired a technology director to help with the monitoring and implementing of technology related functions. The municipal clerk's office administration has also started planning for future modifications and expenditures.

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