



**CITY OF CHILlicoTHE MUNICIPAL COURT
ROSS COUNTY**

SPECIAL AUDIT

FOR THE PERIOD OF MAY 1, 1999 THROUGH MARCH 13, 2000



JIM PETRO
AUDITOR OF STATE

STATE OF OHIO

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CITY OF CHILLICOTHE MUNICIPAL COURT

OFFICIALS AND PERSONNEL

ELECTED OFFICIALS

TERM ENDING

BOND

Judge Thomas E. Bunch

12/31/99

N/A

Judge John B. Street

12/31/01

N/A

APPOINTED PERSONNEL

Roseanna J. Strong, Clerk

\$250,000⁽¹⁾

OTHER PERSONNEL

Brian Butler, Systems Analyst

\$ 3,000⁽¹⁾

Jenny Pickerrell, Deputy Clerk

\$25,000⁽¹⁾

Vicki Leedom, Deputy Clerk

\$25,000⁽¹⁾

Bobbie Duffy, Deputy Clerk

\$25,000⁽¹⁾

Bernie Stearos, Deputy Clerk

\$25,000⁽¹⁾

Laurie Woods, Deputy Clerk

\$25,000⁽¹⁾

⁽¹⁾ Cincinnati Insurance Company

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Report of Independent Accountants

The Honorable Thomas E. Bunch,
Administrative and Presiding Judge

The Honorable John B. Street, Judge

Roseanna J. Strong, Clerk of the Municipal Court
26 South Paint Street
Chillicothe, Ohio 45601

Pursuant to your request dated March 15, 2000, we have conducted a "Special Audit" and performed the procedures summarized below and detailed in our "Supplement to the Special Audit Report," which were agreed to by you for the period May 1, 1999 through March 13, 2000 ("the Period"). These procedures were performed solely to obtain an understanding of the practices followed by Court personnel when creating case files, collecting and recording payments received from offenders, and depositing daily collections; and to review the 116 case files identified by the Court to determine whether payments attributable to these 116 cases were recorded and deposited. This engagement to apply agreed-upon procedures was performed in accordance with standards established by the American Institute of Certified Public Accountants. The sufficiency of the procedures is solely the responsibility of the users of the report. Consequently, we make no representation regarding the sufficiency of the procedures discussed below for the purpose for which this report has been requested or for any other purpose. The procedures we performed are summarized as follows:

1. We obtained an understanding of the daily procedures followed by Court personnel when collecting and recording payments received by offenders, creating both hard copies and computerized case files, and performing daily reconciliations.
2. We reviewed each of the 116 case files identified by the Court to determine whether payments recorded in the hard copy case files were recorded in the Court's computer system.
3. In order to determine whether the payments attributable to the 116 cases identified in Procedure No. 2 were deposited, we reviewed each daily deposit and its supporting documentation for the period December 1, 1999 through March 13, 2000 to determine whether the daily collections were deposited intact.
4. On August 21, 2000, we held an exit conference with the following City officials and administrative personnel:

Judge Thomas E. Bunch
Judge John B. Street
Roseanna J. Strong, Clerk of the Municipal Court
Brian K. Butler, Systems Administrator
William D. Morrissey, City Auditor
Donna J. Taylor, Deputy Auditor

The attendees were given an opportunity to respond to this Special Audit. No response was received.

Our detailed procedures and the results of applying these procedures are contained in the attached "Supplement to the Special Audit Report." Because these procedures do not constitute an examination conducted in accordance with generally accepted auditing standards, we do not express an opinion or limited assurance on any of the accounts or items referred to above. Also, we express no opinion on the Court's internal control system over financial reporting or any part thereof. Had we performed additional procedures, or had we conducted an examination of the financial statements in accordance with generally accepted auditing standards, other matters might have come to our attention that would have been reported to you. This report relates only to transactions relating to the above procedures, and does not extend to any financial statements of the City taken as a whole.

This report is intended for the use of the specified users listed above and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. Reports by the Auditor of State are a matter of public record and use by other components of state government or local government officials is not limited.

A handwritten signature in black ink, appearing to read "Jim Petro", with a large, stylized flourish at the end.

Jim Petro
Auditor of State

July 17, 2000

SUPPLEMENT TO THE SPECIAL AUDIT REPORT

BACKGROUND

In May of 1999, the Chillicothe Municipal Court hired Ms. Bobbie S. Duffy as a Deputy Clerk responsible for collecting traffic fines. At the close of business of the day on March 3, 2000, Ms. Duffy was having difficulty balancing her drawer. Ms. Jenny Pickerrell, Deputy Clerk, asked Ms. Duffy if she needed assistance. Ms. Duffy declined stating she thought Bernard Stearos, Deputy Clerk, and she might have “mixed up” a receipt. Ms. Duffy indicated to Ms. Pickerrell that she was \$82 short.

On the morning of March 6th, Ms. Pickerrell attempted to reconcile the activity within each cash drawer from the preceding day to the Court’s computer system. In doing so, she noted a discrepancy of \$82 attributable to Ms. Duffy’s cash drawer. The discrepancy was reported to Ms. Roseanne J. Strong, Clerk of the Municipal Court to investigate. When Ms. Strong compared the drawer activity to the activity on the daily computer system cash report for Ms. Duffy, she noted:

- ▶ there were two cases which had been entered into the computer system with no payment recorded, yet there were two money orders in Ms. Duffy’s cash drawer which reflected the names of the two offenders;
- ▶ there were discrepancies between the amount of cash, checks, and money orders in the drawer when compared to the amount of cash, checks, and money orders reported on Ms. Duffy’s “Individual Daily Receipt Recap by Cashier” (this is a computer generated form utilizing data input from the user) generated from the computer system; and
- ▶ many of the computerized receipts within the cash drawer that were issued for cash payments did not reflect the number of and denominations of dollar bills received. According to Ms. Strong this was a standard operating procedure for the Court.

As a result the irregularities noted by Ms. Strong, Ms. Duffy was placed on administrative leave on March 13, 2000.

Ms. Strong reviewed all cases processed by Ms. Duffy for March 3, 2000 and noted the following additional discrepancies:

- ▶ The blue copy of the ticket is the offender’s copy and is remitted by the offender when payment is made. Two specific case files contained blue copies of traffic tickets; however, neither the blue copy of the ticket or the computer system reflected a payment.
- ▶ money orders received for two cases were recorded to other cases instead of the cases for which the offenders made the payment.

Ms. Strong and her Systems Administrator, Brian Butler, reviewed all cases processed by all Deputy Clerks since May of 1999 and noted 116 cases in which there were either blue copies or white “dummy copies” attached with no payment recorded in the computer system. Upon completion of the review, Ms. Strong presented the Police Department with 116 cases occurring during the period December 1, 1999 through March 7, 2000 which contained irregularities resulting in a potential loss to the Court of \$7,300.

On March 15, 2000, the Auditor of State received a request from the Honorable Thomas Bunch, Presiding and Administrative Judge, requesting a special audit as “a result of the Clerk of the Municipal Court, Roseanna J. Strong indicating she had discovered irregularities in some of the recent payment transactions and inconsistencies in the filing of traffic citations with no final case dispositions.”

On March 27, 2000, the Auditor of State’s Special Audit Committee declared a Special Audit of the Municipal Court.

On April 5, 2000, the Court terminated Ms. Duffy’s employment.

SUPPLEMENT TO THE SPECIAL AUDIT REPORT

Issue No. 1 - Review of Procedures Utilized for Processing Traffic Tickets

We obtained an understanding of the daily procedures followed by Court personnel when collecting and recording payments received by offenders, creating both hard copies and computerized case files, and performing daily reconciliations.

Procedure:

We interviewed the Clerk and obtained an understanding of the procedures followed by the Deputy Clerks for daily traffic court activities including: a) entering traffic tickets into the court computer system; b) collecting payments from offenders; c) recording payment information in the computer system; d) creating the case files; e) documenting the actions of the Court in the case files; f) reconciling the daily cash drawers to the computer system; g) preparing daily deposits; and h) and issuing monthly disbursements. We confirmed these procedures were in place as we observed the Deputy Clerks processing tickets received by the Court.

Results

1. We interviewed Clerk Strong on various dates in April and May of 2000 during our fieldwork performed as a part of the City's annual financial statement audit. Ms. Strong explained the operations of the three divisions of the Court: Civil, Criminal, and Traffic. The Civil Division utilized its own window for Civil case collections and the four Civil Division employees were in a separate office from the Criminal/Traffic Division employees. The Criminal and Traffic Divisions operated in the same office utilizing one collection window with six employees of which each had their own cash drawer. The employees and their established duties were as follows:

| | |
|---|--|
| Mr. Bernard Stearos, Deputy Clerk - | Responsible for the criminal/traffic payment window, Operator License forfeitures, records retention and disposal. |
| Ms. Bobbie Duffy, Deputy Clerk - | Responsible for mail payments, non-violator compacts, telephone inquiries and back up to Bernard Stearos at criminal/traffic payment window. |
| Ms Laurie Woods, Deputy Clerk - | Responsible for criminal complaint processing, posting and filing. Issuance of subpoenas for both criminal and traffic cases. |
| Ms. Patricia Stotridge, Deputy Clerk - | Responsible for criminal complaint processing, posting and filing. Issuance of subpoenas for both criminal and traffic cases. |
| Ms. Vicki Leedom, Deputy Clerk - | Responsible for traffic complaint processing, posting and filing. |
| Ms. Jennifer Pickerrell, Deputy Clerk - | Responsible for traffic complaint processing, posting and filing. |
2. During the Period, the traffic window was operated by Ms. Duffy and Mr. Stearos with the exception of the lunch hour or scheduled days off. These two deputy clerks took lunch at separate times to ensure one was always at the window to accept payments. If the clerk at the window needed assistance during the lunch hour or one of the two clerks were absent, one of the remaining four Criminal/Traffic Division deputy clerks would operate the window when needed.
3. The operations of the Civil, Criminal and Traffic Divisions of the Court were documented as part of our fieldwork related to the City's 1999 annual financial statement audit. All internal control weaknesses and instances of noncompliance were reported within the Management Letter which accompanied the 1999 audit report and will not be repeated in this special audit report.

SUPPLEMENT TO THE SPECIAL AUDIT REPORT

4. Based upon Ms. Strong's review of the case files, it appeared as though the discrepancies noted in the 116 cases appeared to be isolated to waivable traffic offense cases. Waivable traffic offenses are those in which the offender simply waives his/her right to appear before a Judge by signing the "waiver statement" on the blue copy of the traffic ticket and remitting the ticket along with the payment to the Court. The procedures followed for processing fine payments collected at the traffic window of the Court were as follows during the Period:
- A. Local law enforcement agencies and the State Highway Patrol periodically delivered the white copy of the issued tickets to the Court for processing. Local law enforcement agencies include the City of Chillicothe Police Department, Ross County Sheriff's Department, Ohio Division of Wildlife Officers, and local Village Police Departments.
 - B. The deputy clerks entered the ticket information into the Court computer system. The computer system automatically assigned a case number, and generated a computerized docket and case file which reflected the activity of the case.
 - C. When the offender remits payment in person, the blue copy of the ticket is presented to the deputy clerk by the offender.
 - D. The deputy clerk utilized the ticket information to locate the case file on the computer system. If the Court has not received the ticket, the deputy clerk entered the information into the computer system from the blue copy of the ticket. If the offender has lost their blue copy of the ticket, the traffic deputy clerk created a "dummy" ticket. The "dummy" ticket was a copy of the back of a blue copy of the ticket which indicated the guilty waiver for the offender to sign. The "dummy" ticket was prepared utilizing the information from the ticket information entered into the computerized case file. The offender signed the back of the "dummy" ticket indicating the offender pleads guilty and the "dummy" copy of the ticket was included in the case file with the white copy of the ticket. If the white copy of the ticket has not been received from the law enforcement agency, the blue copy of the ticket was placed in a separate box until the original white copy of the ticket was received from the local law enforcement agency and then they were filed together.
 - E. The payment received was posted to the court computer system. The court computer system generated a receipt indicating the receipt number, case number, name of the defendant, amount received, allocation of the monies received, the balance due on the case, type of tender received, and the initials of the deputy clerk who received the payment. During the Period, the computer system did not require the type of tender or the traffic deputy clerk's initials before processing the receipt.
 - F. When the computer system generated the two-part carbonless receipt, the computer system automatically posted the payment to the payment screen in the computerized case file and posted an entry to the computerized docket.
 - G. If the payment was made in cash, per Clerk Strong, the standard operating procedure was for the deputy clerk to document the denomination of the dollar bills received. In the case of a check or money order, the receipt number was handwritten on the back of the check or money order.
 - H. Ms. Strong indicated it was standard operating procedure for the deputy clerk to write the receipt number, date, and their initials on the back of the blue copy or the guilty waiver portion of the ticket.
 - I. One copy of the receipt was given to the offender and the other copy was maintained in the deputy clerk's drawer.

SUPPLEMENT TO THE SPECIAL AUDIT REPORT

- J. If the offender tendered payment in excess of the fine due, Clerk strong indicated it was standard operating procedure to receipt the entire amount into the computer system and the deputy clerk was to issue a check for the refund due to the offender. We noted in a review of the deposits in Issue 3, there were instances in which the receipt posted to the computer system was less than the money order deposited and no checks were written for a refund of the difference.
- K. At the end of the day, the deputy clerk completes a Daily Cash Drawer Audit Sheet which lists a total of cash monies received, checks and money orders received, and the total receipts for the day.
- L. The deputy clerk totaled the two-part carbonless receipts and agreed the total to the amount on the daily cash drawer audit sheet. If these amounts agreed, the deputy clerk signed the Daily Cash Drawer Audit Sheet and presented the cash drawer, the audit sheet, and two-part carbonless receipts to Ms. Jenny Pickerell, Deputy Clerk. If the amounts did not agree, the deputy clerk notified Ms. Pickerell when presenting their cash drawer.
- M. Ms. Pickerrell reconciled the Daily Cash Drawer Audit Sheet to the tender contained in the drawer and verified the drawer agreed to the Daily Cash Drawer Audit Sheet.
- N. Ms. Pickerrell then generated a daily cash book journal report from the computer system which documented the total monies received for that day.
- O. Ms. Pickerrell then completed a master audit sheet totaling all of the drawers and compared the total to the daily cash book journal total. Ms. Pickerrell also verified all check stubs for refunds issued and two-part carbonless receipts were accounted for by comparing the first number issued to the last number issued on the previous day.
- P. If the amounts agreed and the refund check stubs and two-part carbonless receipts were accounted for, she prepared the deposit slip. If the amounts did not agree, Ms. Pickerrell presented the cash drawer and the discrepancy to the Clerk of the Municipal Court who researched the discrepancy before the preparation of the deposit slip.
- Q. The deposit slip and monies received were placed in a locked bag in the safe until the Clerk of the Municipal Court and a security guard deposited the monies in the bank the same day.

The procedures for payments received through the mail were as follows:

- A. Each day, Ms. Gretchen Steele, Deputy Clerk, Civil Division distributed the mail received to the respective departments within the Municipal Court including Civil, Criminal, Traffic and Small Claims. Ms. Duffy received the mail payments for the Criminal and Traffic Divisions.
- B. When the deputy clerks were not processing payments from the collections window, Ms. Duffy opened the mail and entered the payment into the computer system for the related case.
- C. The same process as stated in steps nos. A through Q were followed for payments received in the mail with the exception of the two-part carbonless receipt. The two-part carbonless receipt was placed in the case file unless the offender requests a receipt sent by mail.

Management Comments

See the management letter for the 1999 City of Chillicothe annual financial audit for twelve recommendations to improve internal controls in the Traffic, Civil and Criminal Divisions of the Court.

SUPPLEMENT TO THE SPECIAL AUDIT REPORT

Issue No. 2 - Review of Selected Case Files

We reviewed each of the 116 case files identified by the Court to determine whether payments recorded in the hard copy case files were recorded in the Court's computer system.

Procedures:

1. We created a spreadsheet listing each of the 116 cases identified by the Court. For each case, we documented the case number, offender, offense, fine to be collected, documents in the case file, and any irregularities noted during the Clerk's and System Administrator's review of the case.
2. For each of the 116 cases, we compared the documentation in the case file to the information in the computer system and documented any discrepancies.

Results

1. We obtained the 116 case files from Detective Joseph Weathersbee, City of Chillicothe Police Department. We reviewed each of the files and documented the various documents in the case files. Based upon our understanding of the operation of the Court described in Issue No. 1, a hard copy case file was not created until both the blue copy of the ticket or a "dummy" ticket, the white copy of the ticket, and payment was received. Therefore, we expected each case file to include a white copy of the ticket, a blue copy of a ticket or a "dummy" ticket signed by the offender with the deputy clerk's initials who received the payment, the amount of the payment, the date received, and receipt number issued. Of the 116 case files, we noted:
 - Two case files did not have the blue copy of the ticket from the offender.
 - Eighty-four (84) of the case files did not have the clerk's initials listed on the back of the blue copy of the ticket.
2. A. We compared the documentation in the 116 case files to the court computer system to determine if payment was recorded in the system. Of the 116 case files, we noted:
 - 36 of the case files had a payment recorded in the computer system. Two of the thirty-six case files contained a payment which was posted to another case file in the Court computer system at a later date.
 - 80 of the case files did not have a payment recorded in the computer system.

In order to determine whether the computer system's payment information was accurate, the Court along with the City of Chillicothe Police Department attempted to contact each of the 116 offenders. Due to incomplete addresses or telephone numbers, they were unable to contact 7 of the offenders. The remaining 109 were contacted either by phone and/or in writing and were requested to provide supporting documentation of any payment made on their case.

SUPPLEMENT TO THE SPECIAL AUDIT REPORT

- B. Of the 109 offenders contacted by the Court and/or Police Department:
- 51 of the offenders provided documentation supporting payment was made including copies of money orders (48 copies totaling \$4,330), copy of a check (1) or written statements indicating payment was made (2). These payments were not documented in the computerized case file as being received by the Court. Of these 51 offenders, 3 also provided signed statements to the City of Chillicothe Police Department regarding the type of payment made to the Court.
 - 44 made verbal representations to the Court or to Detective Weathersbee that a payment was made and the type of tender remitted. However, these offenders could not provide supporting documentation. Of these 44 offenders, 23 also provided signed statements to the City of Chillicothe Police Department regarding the type of payment made to the Court. The computerized case file did not show payment being recorded to the offender's case file.
 - 14 of the offenders received a letter from the City of Chillicothe Police Department requesting supporting documentation and did not respond.
- C. We were unable to verify through a review of the hard copy case files and the computerized docket and payment screens whether monies collected by the Court for these specific cases were deposited intact on the date received. In order to determine this, it was necessary to reconcile the individual components of each daily deposit to the Court's Individual Daily Recap report to verify monies collected and recorded in the computer system were deposited intact and recorded to the case the payment was intended. We issued a subpoena to the bank and obtained a copy of each component within each daily deposit and performed the reconciliations in Issue No. 3.

SUPPLEMENT TO THE SPECIAL AUDIT REPORT

Issue No. 3 - Review of Daily Bank Deposits

In order to determine whether the payments attributable to the 116 cases identified in Procedure No. 2 were deposited, we reviewed each daily deposit and its supporting documentation for the period December 1, 1999 through March 13, 2000 to determine whether the daily collections were deposited intact.

Procedures:

1. We issued a subpoena to obtain all supporting documentation for each daily deposit credited to the Court's traffic bank account for the period of December 1, 1999 through March 13, 2000.
2. We obtained the Individual Daily Receipt Recap report, sorted by deputy clerk initials, which identified the the receipts issued, amount received, and the type of tender received.
3. We compared the money orders and checks included in the daily deposit to the Individual Daily Receipt Recap report to determine whether the monies deposited in the bank were receipted into the Court computer system.
4. For those items deposited into the bank and not receipted into the computer system, we determined if the individual had an open case with no payment posted.
5. We reviewed the Individual Daily Receipt Recap report for remaining money orders or checks to determine whether there were monies receipted into the computer system which were not deposited.
6. We summarized the discrepancies from steps No. 4 and 5 above to determine the amount of monies collected by the Court which were not deposited intact.
7. We contacted Ms. Bobbie Duffy and her attorney, Mr. James Boulger and requested an interview with Ms. Duffy to obtain explanations for the discrepancies noted.

Results

1. On May 11, 2000, a subpoena was issued to the Citizens National Bank in Chillicothe to obtain all of the Court's traffic bank account deposit slips and supporting documentation for the period of December 1, 1999 through March 13, 2000.
2. We obtained an Individual Daily Receipt Recap report for each of the business days during the period of November 30, 1999 through March 13, 2000 as identified by the Court.¹ This report lists the case number, the amount of the payment, the type of tender received, the date of the payment, and was sorted by cashier initials. A subtotal was included at the end of each cashier indicating total cash received, total checks received, total money orders received, and the total receipts collected by the traffic deputy clerk. This report was not utilized by the Court during the audit period to reconcile the types of tender received per the computer system to the tender deposited in the bank for each deputy clerk's cash drawer.

¹ Collections received on November 30th were deposited on December 1, 1999.

SUPPLEMENT TO THE SPECIAL AUDIT REPORT

3. For each daily deposit, we traced each money order and check deposited to the Individual Daily Receipt Recap for the preceding day.² We noted there were money orders which had been deposited which were not recorded on the Individual Daily Receipt Recap report by any of the deputy clerks. In addition, we noted these money orders did not have the receipt number recorded on the back as was the standard operating procedure to be followed.³ All other money orders included within the deposits did reflect the receipt number. The total of these money orders are included in the column entitled “Money Orders Deposited in the Bank and Not Receipted into the Computer System” in Result No. 6.
4. Using the names, ticket number and/or addresses located on the money order, we searched the computer system for an open case containing the same information. With the exception of 7 money orders which are described in Result No. 6(B), we noted the money orders deposited in the bank and not recorded on the computer system were for active cases in the computer system which had no payment recorded.
5. We reviewed the Individual Daily Recap reports sorted by deputy clerk for the entire Period for money orders or checks which were not reflected on the daily deposit slips. We noted:
 - A. On two separate occasions the Individual Daily Recap Report reflected one money order processed by deputy clerk Bernie Stearos (initials “BS”) which did not appear on the related deposit slip. On both occasions, the amount of cash that was deposited for the day was greater than the amount of cash receipted and therefore, it appears as though Mr. Stearos made a keying entry when identifying the type of tender received.
 - B. On numerous occasions the Individual Daily Recap Report reflected money orders processed by deputy clerk Bobbie Duffy (initials “BD”) which did not appear on the related deposit slip. On each of these occasions, the cases which were inaccurately identified as “money order” payments did not correlate to the name or information on any of the money orders included within the daily deposit.
 - C. Ms. Bobbie Duffy was the only traffic deputy clerk with the initials “BD” during the audit period. There were no money orders for the related case indicated on the receipt per the Individual Daily Receipt Recap included in the bank deposit. These amounts are documented on a daily basis in the table in step no. 6 in the column entitled “Receipts In the Computer System Without Corresponding Checks or Money Orders In the Deposit”.
 - D. We compared the cash deposited per the bank deposit to the payments recorded as cash in the computer system and noted variances. We then totaled the cash for each Deputy Clerk’s Individual Daily Receipt Recap to the individual daily audit sheet. We noted no variances for any cashier, except for Ms. Duffy. We noted the overages and shortages in cash between what was recorded by Ms. Duffy in the computer system and what was actually in her cash drawer equaled the shortage or overage between the cash deposited in the bank and the total cash receipted per the Individual Daily Receipt Recap report. The variance between the cash per the computer system and the cash deposited in the bank are documented on a daily basis in the table in step no. 6 in the column entitled “Bobbie Duffy’s Cash Shortage/Overage Between the Computer System and Her Cash Drawer Audit Sheet”.

² As noted in Issue No. 1, it is standard operating practice to deposit monies the following day.

³ See Issue No. 1 for procedures followed by Court personnel.

SUPPLEMENT TO THE SPECIAL AUDIT REPORT

- E. The money orders deposited into the bank which were not recorded in the computer system were to replace cash missing from the cash drawer. We verified this variance by calculating the difference between the money orders deposited in the bank not recorded in the computer system and the receipts recorded in the computer system not deposited in the bank. This calculation generated the shortage or overage for the day by Ms. Duffy by subtracting her cash drawer receipts for the day from the cash received by Ms. Duffy per the Individual Daily Receipt Recap.
6. A. In summary of the work performed in steps nos. 4 and 5, the following table illustrates receipts in the computer system as money orders not deposited in the bank; the variance between the Individual Daily Receipt Recap for Ms. Duffy and the cash per her cash audit sheet; and those money orders deposited in the bank which were not recorded in the computer system:

| Date | Receipts In the Computer System Without Corresponding Checks or Money Orders In the Deposit | Bobbie Duffy's Cash (Shortage)/Overage Between the Computer System and Her Cash Drawer Audit Sheet | Money Orders Deposited in the Bank and Not Receipted into the Computer System |
|----------|---|--|--|
| 12-1-99 | \$0.00 | - | (\$205.00) = \$205.00 |
| 12-2-99 | \$309.00 | - | \$196.00 = \$113.00 |
| 12-3-99 | (\$150.00) | - | (\$150.00) = \$0.00 |
| 12-6-99 | \$0.00 | - | \$0.00 = \$0.00 |
| 12-7-99 | \$83.00 | - | \$83.00 = \$0.00 |
| 12-8-99 | \$171.00 | - | \$63.00 = \$108.00 |
| 12-9-99 | \$133.00 | - | (\$113.00) = \$246.00 |
| 12-10-99 | \$0.00 | - | \$0.00 = \$0.00 |
| 12-13-99 | \$287.00 | - | \$61.00 = \$226.00 |
| 12-14-99 | \$249.00 | - | \$111.00 = \$138.00 |
| 12-15-99 | \$83.00 | - | \$83.00 = \$0.00 |
| 12-16-99 | \$166.00 | - | (\$83.00) = \$249.00 |
| 12-17-99 | \$299.00 | - | \$20.00 = \$279.00 |
| 12-20-99 | (\$58.00) | - | (\$279.00) = \$221.00 |
| 12-21-99 | \$3.00 | - | (\$246.00) = \$249.00 |
| 12-22-99 | \$60.00 | - | (\$302.00) = \$362.00 |
| 12-23-99 | \$0.00 | - | (\$63.00) = \$63.00 |
| 12-27-99 | \$639.00 | - | \$254.00 = \$385.00 |
| 12-28-99 | \$199.00 | - | \$48.00 = \$151.00 |
| 12-29-99 | \$312.00 | - | (\$138.00) = \$450.00 |
| 12-30-99 | \$151.00 | - | \$53.00 = \$98.00 |
| 1-3-00 | \$221.00 | - | \$138.00 = \$83.00 |
| 1-4-00 | \$146.00 | - | \$83.00 = \$63.00 |
| 1-5-00 | \$0.00 | - | \$0.00 = \$0.00 |

Continued

SUPPLEMENT TO THE SPECIAL AUDIT REPORT

| Date | Receipts In the Computer System Without Corresponding Checks or Money Orders In the Deposit | - | Bobbie Duffy's Cash (Shortage)/Overage Between the Computer System and Her Cash Drawer Audit Sheet | = | Money Orders Deposited in the Bank and Not Received into the Computer System |
|---------|---|---|--|---|---|
| 1-6-00 | \$63.00 | - | (\$25.00) | = | \$88.00 |
| 1-7-00 | \$191.00 | - | (\$33.00) | = | \$224.00 |
| 1-10-00 | \$0.00 | - | (\$102.00) | = | \$102.00 |
| 1-11-00 | \$0.00 | - | \$0.00 | = | \$0.00 |
| 1-12-00 | \$0.00 | - | \$0.00 | = | \$0.00 |
| 1-13-00 | \$0.00 | - | \$0.00 | = | \$0.00 |
| 1-14-00 | \$0.00 | - | \$0.00 | = | \$0.00 |
| 1-18-00 | \$113.00 | - | (\$20.00) | = | \$133.00 |
| 1-19-00 | \$63.00 | - | (\$168.00) | = | \$231.00 |
| 1-20-00 | \$73.00 | - | (\$10.00) | = | \$83.00 |
| 1-21-00 | \$0.00 | - | (\$83.00) | = | \$83.00 |
| 1-24-00 | \$83.00 | - | \$83.00 | = | \$0.00 |
| 1-25-00 | \$83.00 | - | (\$128.00) | = | \$211.00 |
| 1-26-00 | \$83.00 | - | (\$25.00) | = | \$108.00 |
| 1-27-00 | ⁴ (\$2,827.00) | - | ⁴ (\$2,998.00) | = | \$171.00 |
| 1-28-00 | \$191.00 | - | (\$30.00) | = | \$221.00 |
| 1-31-00 | \$0.30 | - | (\$205.70) | = | \$206.00 |
| 2-1-00 | \$0.00 | - | (\$106.00) | = | \$106.00 |
| 2-2-00 | \$108.00 | - | \$0.00 | = | \$108.00 |
| 2-3-00 | \$151.94 | - | (\$54.06) | = | \$206.00 |
| 2-6-00 | \$0.00 | - | (\$279.00) | = | \$279.00 |
| 2-7-00 | \$126.00 | - | (\$20.00) | = | \$146.00 |
| 2-8-00 | \$83.00 | - | (\$151.00) | = | \$234.00 |
| 2-9-00 | \$115.00 | - | \$32.00 | = | \$83.00 |
| 2-10-00 | \$83.00 | - | \$83.00 | = | \$0.00 |
| 2-11-00 | \$88.00 | - | (\$113.00) | = | \$201.00 |
| 2-14-00 | (\$53.00) | - | (\$279.00) | = | \$226.00 |
| 2-15-00 | \$221.00 | - | (\$98.00) | = | \$319.00 |
| 2-16-00 | ⁴ (\$939.00) | - | ⁴ (\$1,105.00) | = | \$166.00 |

Continued

⁴This unusually large variance is primarily attributed to a check which Ms. Duffy received from the Sheriff's Office for an appearance bond and was incorrectly recorded in the computer system as cash. The check was deposited.

SUPPLEMENT TO THE SPECIAL AUDIT REPORT

| Date | Receipts In the Computer System Without Corresponding Checks or Money Orders In the Deposit | - | Bobbie Duffy's Cash (Shortage)/Overage Between the Computer System and Her Cash Drawer Audit Sheet | = | Money Orders Deposited in the Bank and Not Received into the Computer System |
|---------|---|---|--|---|---|
| 2-17-00 | \$264.00 | | \$15.00 | | \$249.00 |
| 2-18-00 | \$166.00 | | \$0.00 | | \$166.00 |
| 2-22-00 | \$375.00 | | \$86.00 | | \$289.00 |
| 2-23-00 | \$0.00 | | \$0.00 | | \$0.00 |
| 2-24-00 | \$100.00 | | (\$305.00) | | \$405.00 |
| 2-25-00 | \$171.00 | | (\$156.00) | | \$327.00 |
| 2-28-00 | \$500.00 | | \$0.00 | | \$500.00 |
| 2-29-00 | \$259.00 | | (\$5.00) | | \$264.00 |
| 3-1-00 | \$146.00 | | (\$113.00) | | \$259.00 |
| 3-2-00 | \$249.00 | | \$0.00 | | \$249.00 |
| 3-3-00 | \$166.00 | | (\$82.00) | | \$248.00 |
| 3-6-00 | \$83.00 | | \$83.00 | | \$0.00 |
| 3-7-00 | <u>\$0.00</u> | | <u>\$0.00</u> | | <u>\$0.00</u> |
| Total | <u>\$3,882.24</u> | | <u>(\$6,697.76)</u> | | <u>\$10,580.00</u> |

- B. There were 7 money orders in the bank deposit in which we were unable to trace the money order to a case in the computer system as a result of the money order being unreadable or there was no active case in the computer system which matched the name on the money order. These money orders totaled \$676 and will be excluded from the monies identified as being collected but unaccounted for by the Court.
- C. There were 5 money orders in which the amounts exceeded the amount posted to the computer system. We were able to determine there were no checks issued as a refund of the difference. We were unable to identify whether Ms. Duffy refunded the difference in cash (which is against standard operating procedure) or if the money was misappropriated from her drawer. These money orders totaled \$158 and will be excluded from the monies identified as being collected but unaccounted for by the Court.
- D. The money orders deposited in the bank and not recorded on the computer system were utilized to replace cash missing from Ms. Duffy's drawer based on :
- There were money orders not recorded in the computer system which were included as part of Ms. Duffy's drawer to reconcile her drawer for the day.
 - The money orders did not have the receipt number recorded on the back of the instrument as did all other money orders received into the computer system by the cashiers.
 - There were no errors noted when comparing the money orders and checks per the deposit to those recorded in the computer system for the other deputy clerks' drawers.
 - The error of receipts recorded in the computer system without a corresponding deposit were only in Ms. Duffy's Daily Receipt Recap.

SUPPLEMENT TO THE SPECIAL AUDIT REPORT

-- Ms. Duffy was consistently out of balance by types of tender in her cash drawer.

In addition, the Court spoke with several offenders who indicated their receipt stated the payment was by money order; however, the offender indicated the payment was made in cash. Therefore, we will issue a finding for recovery against Ms. Bobbie Duffy and her bonding company, Cincinnati Insurance Company, in favor of the Chillicothe Municipal Court in the amount of \$9,746 (\$10,580 less \$676 and \$158) for monies collected but unaccounted for.

7. We sent a letter by certified mail to Ms. Duffy and her attorney on July 13, 2000 requesting an interview to obtain an explanation for these discrepancies. On August 1, 2000, we were notified Ms. Duffy did not claim her certified letter; however, her attorney did accept his certified letter. We left a message with her attorney, Mr. Boulger on August 1, 2000 to determine whether or not we were allowed to interview Ms. Duffy. No response has been received from Ms. Duffy or Mr. Boulger.

Finding For Recovery

Based on the following information, cash monies received by Ms. Duffy were replaced with money orders to ensure she balanced for the day:

- Ms. Duffy did not balance the cash collected per the Cash Drawer Audit Sheet and the Individual Daily Receipt Recap report. This variance equaled the variance between total cash for all of the Cash Drawer Audit Sheets and the grand total for all deputy clerks on the Individual Daily Receipt Recap Report.
- Ms. Duffy receipted payments as money orders which were not deposited into the bank. This was not noted on any of the other deputy clerks' Individual Daily Receipt Recaps.
- There were money orders deposited into the bank account which were not receipted into the computer system. Those money orders also did not include the receipt number on the back as required by Court procedures and performed by Ms. Duffy on other occasions.

The following table shows a total of monies collected by the Court and not deposited intact:

| | |
|---|-------------------|
| Money Orders Deposited in the Bank and Not Receipted into the Computer System | \$10,580.00 |
| Less: | |
| Money Orders unable to be traced to the computer system | (\$676.00) |
| Money order exceeds the receipt and unable to determine if the monies were refunded in cash | <u>(\$158.00)</u> |
| Monies Collected by the Court but Unaccounted For | <u>\$9,746.00</u> |

Based upon the foregoing information, a finding for recovery is hereby issued against Ms. Bobbie S. Duffy, and her bonding company, Cincinnati Insurance Company, jointly and severally, in favor of the Chillicothe Municipal Court in the amount of \$9,746 for monies collected but unaccounted for.



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OFFICE OF THE AUDITOR

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CITY OF CHILLICOTHE MUNICIPAL COURT

ROSS COUNTY

CLERK'S CERTIFICATION

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

Susan Babbitt

CLERK OF THE BUREAU

**CERTIFIED
OCTOBER 3, 2000**