

Report on the

Office of Circuit and District Courts

Lauderdale County, Alabama

May 1, 2015 through October 31, 2018

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Department of Examiners of Public Accounts

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Rachel Laurie Riddle
Chief Examiner

Honorable Rachel Laurie Riddle
Chief Examiner of Public Accounts
Montgomery, Alabama 36130

Dear Madam:

Under the authority of the *Code of Alabama 1975*, Section 41-5A-19, as added by Act Number 2018-129, I submit this report on the results of the examination of the Office of Circuit and District Courts, Lauderdale County, Alabama, for the period May 1, 2015 through October 31, 2018.

Sworn to and subscribed before me this
the 19 day of August, 2019.

Melissa J. Smith
Notary Public

Respectfully submitted,

Danny Coburn
Examiner of Public Accounts

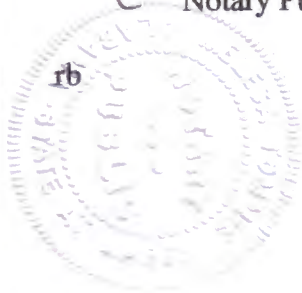


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Department of
Examiners of Public Accounts

SUMMARY

**Office of Circuit and District Courts
Lauderdale County, Alabama
May 1, 2015 through October 31, 2018**

The Office of Circuit and District Courts, Lauderdale County, Alabama, (hereinafter referred to as the “Courts”) receipts, disburses and otherwise accounts for court costs, fines, forfeitures, fiduciary funds and other miscellaneous receipts for cases under the Courts’ jurisdiction. The amounts collected are then distributed to various state and local entities as ordered by the Courts and in accordance with state and local laws and regulations. The Circuit Clerk, an elected official, is responsible for overseeing the operations of the Circuit and District Courts. The duties of the Circuit Clerk and District Court Clerk are enumerated in the *Code of Alabama 1975*, Sections 12-17-93 and 12-17-94. The Circuit Clerk also serves as clerk for the District Court pursuant to the *Code of Alabama 1975*, Section 12-17-160.

Honorable Missy Homan served as Circuit and District Court Clerk during the examination period.

The Circuit and District Court Clerk maintains a special fund known as the Circuit Clerk’s Fund that was created pursuant to the *Code of Alabama 1975*, Section 12-17-225.4. The Circuit and District Court Clerk receives twenty-five percent (25%) of a thirty (30%) percent collection fee for any delinquent court ordered payments that are 90 days old and have been collected by the District Attorney. This twenty-five percent of the collection fee is deposited in the Circuit Clerk’s Fund and is used for general office operations.

The Circuit and District Court Clerk maintains a special fund known as the Circuit Clerk’s Judicial Administration Fund that was created pursuant to the *Code of Alabama 1975*, Section 12-19-310. The Circuit and District Court Clerk receives portions of the docket fee and bail bond fee increase provided for by this statute and is used for the support of local court operations and to promote efficient administration of justice.

This report presents the results of an examination of the Courts and a review of compliance by the Courts with applicable laws and regulations of the State of Alabama in accordance with the requirements of the Department of Examiners of Public Accounts under the authority of the *Code of Alabama 1975*, Section 41-5A-12, as added by Act Number 2018-129.

Findings are numbered and reported by the examination period in which the finding originally occurred.

Instances of noncompliance with state and local laws and regulations and other matters were found during the examination as shown on the Schedule of State and Local Compliance and Other Findings and they are summarized below.

CURRENT FINDINGS

- ◆ 2018-001 relates to purchases of a personal nature using the Circuit and District Court Clerk's official debit card.
- ◆ 2018-002 relates to the failure of the Circuit and District Court Clerk to properly maintain documentation for a purchase made from the Circuit Clerk's Fund.

The Official was invited to and attended an exit conference to discuss the examination. Representing the Department of Examiners of Public Accounts were: April Purser, Audit Manager; and Danny Coburn, Examiner of Public Accounts.

*Schedule of State and Local
Compliance and Other Findings*

Schedule of State and Local Compliance and Other Findings
For the Period May 1, 2015 through October 31, 2018

Ref. No.	Finding/Noncompliance
2018-001	<p><u>Finding:</u> Article IV, Section 93 of the <i>Constitution of Alabama 1901</i> provides that the State of Alabama shall not extend credit to any individual. The Circuit Clerk used the debit card from the Circuit Clerk's Fund to make several purchases of a personal nature totaling \$469.57 during the examination period. The Circuit Clerk subsequently reimbursed the purchases; however, the time period for repaying the amounts ranged from 1 day up to 10 months. As a result of Circuit Clerk's Fund money being used to pay for personal expenses of the Circuit Clerk, the Office of Circuit Clerk was deprived of the use of the public funds until repayment was made.</p> <p><u>Recommendation:</u> Purchases of a personal nature should not be made from public funds.</p>
2018-002	<p><u>Finding:</u> The <i>Minimum Accounting Requirements for the Office of Circuit and District Courts</i>, prescribed by the Chief Examiner of Public Accounts, require invoices to be retained for all purchases from the Circuit Clerk's Fund. A purchase was made from the Circuit Clerk's Fund in the amount of \$277.88 for which no invoice or other supporting documentation was retained or made available for review. The Circuit Clerk reimbursed the Circuit Clerk's Fund for this purchase during the examination period. Due to the fact the invoice was not retained to document the exact nature of the item(s) purchased, a determination could not be made whether the purchase was for an allowable purpose.</p> <p><u>Recommendation:</u> Documentation for all disbursements from the Circuit Clerk's Fund should be retained for review.</p>

Financial Information

***Summary of Receipts, Disbursements and Balances
May 1, 2015 through October 31, 2018***

	Civil Division	Criminal Division
Beginning Cash Balances - May 1, 2015	\$ 278,301.75	\$ 246,158.23
Receipts	<u>13,128,563.91</u>	<u>5,846,231.02</u>
Total Available for Disbursement	13,406,865.66	6,092,389.25
Disbursements	13,021,997.83	5,487,234.27
Transfers	<u>1,662.47</u>	
Ending Cash Balances - October 31, 2018	<u><u>\$ 386,530.30</u></u>	<u><u>\$ 605,154.98</u></u>

Child Support Division	Total
\$ 1,372.47	\$ 525,832.45
595,911.11	19,570,706.04
597,283.58	20,096,538.49
595,621.11	19,104,853.21
(1,662.47)	
<u>\$</u>	<u>\$ 991,685.28</u>

Fiduciary Funds on Hand
October 31, 2018

Civil Division	<u>\$ 1,768,712.01</u>
Total	<u><u>\$ 1,768,712.01</u></u>

Circuit Clerk's Fund
Summary of Receipts, Disbursements and Balance
May 1, 2015 through October 31, 2018

Receipts

Restitution Recovery Fees	\$ 198,774.13
Copies	22,113.22
Interest Earned	56.84
Other	4,701.04
Total Receipts	<u>225,645.23</u>

Disbursements

Equipment and Furniture	4,060.00
Salaries	171,766.58
Office Supplies	60,167.59
Training	21,015.49
Consultant	21,031.59
Dues	3,003.00
Total Disbursements	<u>281,044.25</u>

Excess of Receipts Over/(Under) Disbursements	(55,399.02)
Balance - May 1, 2015	<u>62,120.43</u>
Balance - October 31, 2018	<u><u>\$ 6,721.41</u></u>

***Circuit Clerk's Judicial Administration Fund
Summary of Receipts, Disbursements and Balance
May 1, 2015 through October 31, 2018***

Receipts

\$35 Bail Bond Fee	\$ 63,317.28
3.5% Bail Bond Fee	48,639.39
Civil Docket Fees	53,240.36
Criminal Docket Fees	46,635.40
Municipal Docket Fees	38,407.31
Interest Earned	54.80
Total Receipts	<u>250,294.54</u>

Disbursements

Salaries	232,060.31
Supplies	2,944.99
Contractor	10,460.93
Training	232.77
Total Disbursements	<u>245,699.00</u>

Excess of Receipts Over/(Under) Disbursements	4,595.54
Balance - May 1, 2015	<u>20,741.21</u>
Balance - October 31, 2018	<u><u>\$ 25,336.75</u></u>