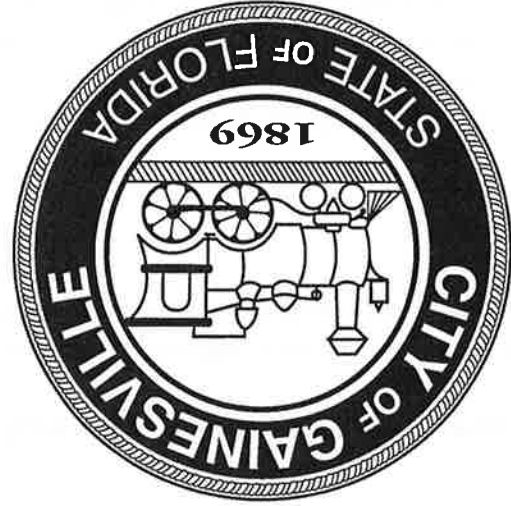


CITY AUDITOR'S OFFICE
CITY OF GAINESVILLE, FLORIDA




REVIEW OF COURT FINES
APRIL 2000

**CITY OF
GAINESVILLE**

Inter-Office Communication

June 1, 2000

TO: Audit and Finance Committee
Mayor Paula M. DeLaney, Chair
Mayor-Commissioner Pro Tem John R. Barrow, Member

FROM: Alan D. Ash, City Auditor 

SUBJECT: Review of Court Fines

RECOMMENDATION

The Audit and Finance Committee recommend that the City Commission:

- 1) Accept the City Auditor's report and management's response; and
- 2) Instruct the City Auditor to follow-up on recommendations made and report the results to the Audit and Finance Committee.

DISCUSSION

In accordance with our Fiscal Year 2000 Annual Audit Plan, we have completed our Review of Court Fines. Our review was conducted in accordance with *Government Auditing Standards* issued by the Comptroller General of the United States. Our report and management's response is attached for review. We request that the Committee recommend the City Commission accept our report and management's response. Also, in accordance with City Commission Resolution 970187, Section 10, Responsibilities for Follow-up on Audits, we request that the Committee recommend the City Commission instruct the City Auditor to follow-up on recommendations made and report the results to the Audit and Finance Committee.

We thank Clerk of the Circuit Court Buddy Irby, City Attorney Marion Radson, City Manager Wayne Bowers and Lt. Donna Suereh and their staff for the courteous and cooperative treatment afforded us during our review.

with the court. The Finance Department will also notify the originating department that the fine was paid.

If more than six months have passed and the Finance Department has been unable

to contact the person or has been unable to initiate payment arrangements, the Finance

Department will send a final letter to the individual with a copy to the City Attorney's

Office. This letter will provide the individual with a certain number of days (14 or 30

days, for example) to pay or else the Finance Department will turn the file over to the

City Attorney's Office in order to file a lien against any real or personal property and

initiate a civil action to collect the judgment. After the time period indicated in the letter

has expired, the Finance Department will send a memo to the attorney advising that no

payment arrangements have been made.

The attorney will have the judgment recorded and may file an appropriate civil

action to collect the judgment. A copy of the recorded judgment will be sent to the


Finance Department. A copy of all collection efforts by the City Attorney's Office will

be sent to the Finance Department.

**City of
Gainesville**

April 19, 2000

TO: Wayne Bowers, City Manager
Marion J. Radson, City Attorney

FROM: Alan D. Ash, City Auditor 

SUBJECT: Review of Court Fines

On November 8, 1999, the City Commission approved the City Auditor's Annual Audit Plan which included a review of the court fines collection process. We conducted interviews with key personnel, reviewed operating and financial information and tested management controls as necessary. As the collection of court fines is a collaborative effort between several agencies which includes the Alachua County Clerk of the Court, Gainesville Police Department, City Attorney's Office and Finance Department, our attached report contains two recommendations for improving procedures related to City systems.

In accordance with Commission Resolution 970187, Section 9(b), Report Processing Procedures, please submit your written response to the recommendations presented in the report within 30 days and indicate an actual or expected date of implementation. Our report and your response will then be submitted to the City Commission's Audit and Finance Committee for review and approval.

We would like to thank the Gainesville Police Department, City Attorney's Office and the Finance Department staff for their cooperation during our review. This report has been reviewed with Police Chief Norman Botstorf, Finance Director Mark Benton and Assistant City Attorney Debra Babb. Please let me know if you have any comments or questions.

cc: Police Chief Norman Botstorf
Finance Director Mark Benton

will prepare a Motion for Final Judgment and proposed Order along with a Memorandum of Law. All three are on the computer under civil citations. A copy of the motion and memo, and the original proposed order (with envelopes and copies as needed) are sent to the judge with a cover letter requesting entry of the order. The original motion and memo, and a copy of the proposed order, are sent to the Clerk. A copy is also mailed to the individual cited. So far, judges have not requested hearings and will sign the proposed order and will mail it back to the attorney. When the attorney receives the signed order, the legal assistant will send a copy to the Finance Department and a copy to the originating department.

2. If the fine was paid (thus, no hearing), it will be paid to the Clerk and the funds will be transmitted to the Finance Department. The Finance Department will notify the attorney and the originating department (Code Enforcement, GPD, or GFD) that the fine was paid.

3. If a hearing is requested, the court date is placed on the attorney's calendar. Arrangement should be made to interview the officer and any witnesses before the hearing. If the judge finds the person guilty and sets a fine, the legal assistant will send copies of the order to the Finance Department and to the originating department. If the judge finds the person not guilty, the legal assistant will send copies of the order to the Finance Department and to the originating department. No money will be collected if the person is found not guilty.

After a final judgment is entered, the Finance Department will pursue collection attempts for at least six months. When the fine is paid in full, the Finance Department will prepare a Satisfaction of Judgment and will send it to the attorney, who will file it

CIVIL CITATION PROCEDURE
AFTER ISSUANCE OF CITATION

Civil citations are issued by the Code Enforcement Division, the Gainesville

Police Department (GPD), and the Gainesville Fire Department (GFD). Once a citation

is issued, each department will provide to the City Attorney's Office the original citation

and send a copy to the Finance Department. The citation sent to the City Attorney's

Office should include any back-up information, especially the warning or previous

citations issued. Any pictures or other supporting information should also be sent.

The attorney will review the citation to determine if it is facially valid (proper

code citation, etc.).

If the citation has defects, the attorney files a Decline to Prosecute accompanying

the original citation and sends it to the Clerk of the Court, Traffic Division (Clerk):

Currently (April 2000), the contact person is Jennifer Williams, Deputy Clerk of Court.

This form is on the computer under the civil citation directory. GPD, GFD, or Code

Enforcement should be contacted to explain the defects in the citation.

If the citation is valid on its face, the attorney submits the original citation to the

Clerk.

The citation is calendared on the attorney's and legal assistant's calendars for at

least 15 days from the date the citation was issued. After 15 days, the legal assistant will

contact the Clerk to see whether the person has requested a court hearing or has paid the

fine. Three scenarios follow:

1. If the person has neither paid the fine nor requested a hearing, the attorney

J. K. "Buddy" Irby
Clerk of the Circuit Court
Alachua County
201 E. University Avenue
Gainesville, FL 32601

Dear Mr. Irby:

On November 8, 1999, the City Commission approved the City Auditor's Annual Audit Plan which included a review of the court fines collection process. We have completed our review of transactions during the period January 1, 1999 through September 30, 1999 and a copy of our report is attached. Our review was conducted in accordance with *Government Auditing Standards* issued by the Comptroller General of the United States. Our procedures included conducting interviews with key personnel, reviewing operating and financial information and testing management controls as necessary.

In general, we have concluded that your system of internal control is suitably designed and provides reasonable assurance that controls over court fines are operating as intended. As the collection of court fines is a collaborative effort between several agencies which includes several City departments, our report contains two recommendations for improving procedures related to City systems. Our report and City management's response will be reviewed by the City Commission's Audit and Finance Committee and subsequently transmitted to the City Commission for approval.

We thank you and your staff for the courtesy and cooperation extended to us during our review. Please let me know if you have any comments or questions.

Sincerely,



Alan D. Ash
City Auditor

April 19, 2000

Office of the City Auditor

CITY OF
GAINESVILLE

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April 2000

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Civil Citation Judgment and Reporting Process Should be Consistent and Strengthened

Finding

During our review of civil citations issued between January 1999 through September 1999, we found 25% (nine of thirty-six) of citations issued were facially deficient and the City Attorney's Office declined to prosecute these citations resulting in lost fine revenue. We also found that the communication process between the responsible departments needed strengthening when collection is expected for violations.

During our review, the City Attorney's Office developed a written procedure which includes each department's responsibility during the civil citation process to ensure that civil citations are forwarded to the appropriate departments, and facially valid citations are forwarded to the Clerk of the Court. In addition, the procedure specifies a six month time frame by which the Finance Department should pursue collection of civil citation fines before the file is turned over to the CAO for further legal action.

Conclusion

Communication between City departments regarding civil citations could be improved.

Recommendation

We recommend the use of the procedure established by the City Attorney's Office to ensure effective communication between the responsible departments. We also recommend the City Attorney's Office continue the practice of reviewing civil citations prior to submitting citations to the Clerk of the Court and notifying the issuing department when citation information is inaccurate or incomplete.

City Manager's Response

Code Enforcement Manager Lisa Koehler notified me on May 4, 2000, that the Code Enforcement Division is now using the procedures established by the City Attorney's Office to insure effective communication between the responsible departments. A copy of these procedures that are now in effect is attached.

City Attorney's Response

The City Attorney's Office is involved in the Civil Citations process and concur in the findings, conclusions and recommendations of the City Auditor's Office. The procedures established by this Office for civil citations are in effect, and will be internally monitored for performance on a regular basis.

We appreciate the service provided by the City Auditor's Office that ensures reliability of performance and reporting

Executive Summary

On November 8, 1999, the City Commission approved the City Auditor's Annual Audit Plan which included a review of the court fines collection process. We reviewed the process to ensure that the City receives proper amounts of revenue for traffic and civil citations, citations are received timely by the appropriate agency, and appropriate follow-up action was taken on unpaid fines. Based on our review, we made recommendations for improvements in the following areas:

1. The process for entering data from traffic citations used by GPD for statistical and research purposes could be strengthened. In addition, the process for ensuring that citations issued are transmitted to the Alachua County Clerk of the Circuit Court needs strengthening. We recommend that GPD obtain weekly citation data processed from the Clerk of the Circuit Court and input statistical data in a timely manner.

2. The process for resolving final judgments on code violations could be strengthened. We recommend the City utilize the procedures established by the City Attorney's Office to ensure effective communication between the responsible department, as well as continue the practice of reviewing civil citations prior to submitting citations to the Clerk of the Court.

Scope and Methodology

Management is responsible for establishing and maintaining effective management controls. Management controls, in the broadest sense, include the plan of organization, methods and procedures adopted by management to ensure that goals are met. Management controls include the process of planning, organizing, directing and controlling program operations. These include systems for measuring, reporting and monitoring program performance.

Our primary objectives were to ensure that the City receives proper amounts of revenue for traffic and civil citations allowed by law, citations are received timely by the appropriate agency, and if appropriate follow-up action was taken on unpaid fines as allowed by law. Our review was conducted in accordance with *Government Auditing Standards* issued by the Comptroller General of the United States. Our procedures included gaining an overall understanding of the traffic citation and civil citation process from the time a citation is issued, to the receipt of revenue by the City and testing transactions on a sample basis to determine that controls are adequate and amounts distributed are appropriate. In general, the scope of our testing involved reviewing all traffic and civil citations issued by the GPD, Gainesville Fire Rescue or Code Enforcement for the nine-month period January 1, 1999 through September 30, 1999. The civil citation process is only utilized for certain types of violations of the City Code. The scope of our review was limited to civil citations that would normally proceed to court. Our scope did not include code violations that proceed to the Code Enforcement Board.

Summary and Background

In accordance with the City Auditor's FY 2000 Annual Audit Plan, we have completed our review of the court fines collection process administered by the Alachua County Clerk of the Circuit Court. We reviewed the process from the time a citation is issued to the receipt of revenue by the City.

City Manager's Response

To prevent duplication of data entry on traffic citations GPD Computer System Analyst David Sams is coordinating with Jo Linda Lee, Applications Supervisor, Information Services of Alachua County to import all of the field information (listed on the face of the citations) entered in the County system to a GPD database. David Sams will assign passwords to records section personnel to retrieve information for non-criminal citations from the County AS400 computer system. Currently, records personnel have access to criminal citations through the Nixdorf system. Access to the AS400 will allow more timely data entry of citation by records personnel and alleviate the back-log problem.

The records section has implemented a procedure that includes a transmittal form being sent with all citations to the Circuit Court. A County official verifies and signs as having received the citations listed on the transmittal. The transmittal is delivered to the Courthouse by courier and returned to GPD the same day. Transmittals are then filed for future reference. This new procedure will ensure receipt of traffic citations by the Clerk of the Circuit Court. The GPD Records Coordinator is in the process of updating the records manual to reflect this new procedure.

All traffic and civil citations reviewed during this period were issued by GPD or Code Enforcement Officers. Parking citations may also be issued by Police Service Technicians (PST) and Code Enforcement Officers. Civil citations may be issued by Code Enforcement Inspectors. Parking citations are processed by the City (unless contested by the violator and require a court appearance), and DUI citations are submitted to the State Attorney's Office. The Alachua County Clerk of the Circuit Court processes the remaining traffic and civil citations.

We reviewed both traffic and civil citations issued by the City and processed by the Clerk of the Circuit Court. Table A represents court fines received by the City during the past three fiscal years.

Table A

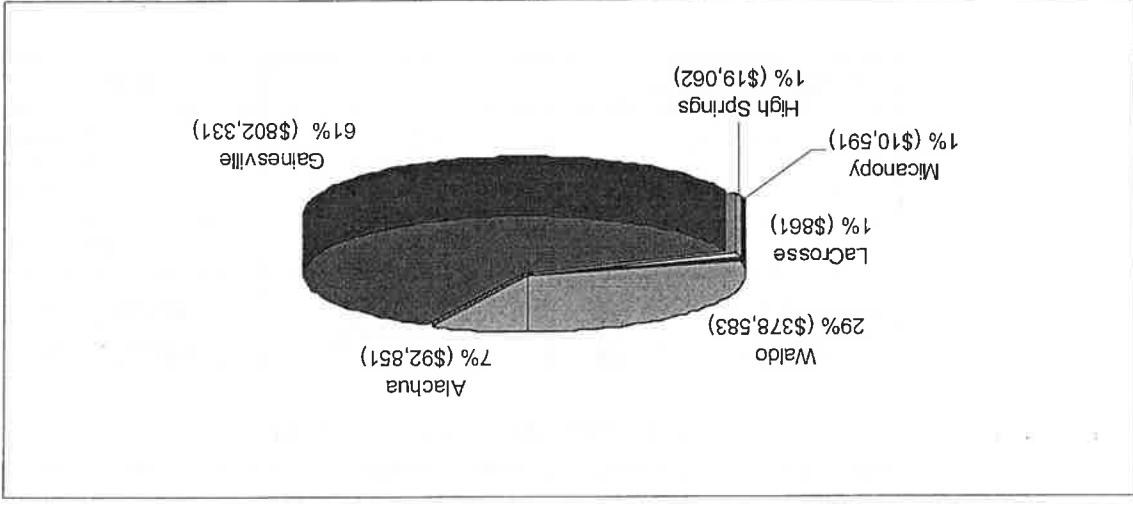
**Total City-wide Revenue from Fines
FY 1997 - 1999**

Fiscal Year	Revenue	% Change from Previous Fiscal Year
1997	\$ 740,055	
1998	\$ 896,760	21.2
1999	\$ 802,331	(10.5)

Figure 1 illustrates the percentage distribution of court fines for municipalities in Alachua County. Total countywide fine revenue for FY 99 was \$1,304,279. Gainesville received 61% (\$802,331) of total fines collected, while the City of Waldo received 29% (\$378,583) with the remaining balance distributed among the four remaining cities.

Figure 1

Fines Collected by Municipality for FY 1999



Data Entry Process for Traffic Citations Should be Strengthened

#1

During our review of traffic citations processed, we found the following exceptions:

- Traffic citations were not entered into GPD's traffic system on a timely basis.
- Fifty-nine traffic citations issued over two days were not transmitted by GPD to the Clerk of the Circuit Court for input into the Clerk's traffic system.

During our review of traffic citations, we noted that GPD enters the identical citation data as the Clerk of the Circuit Court into its traffic system, as well as entering additional data for statistical research such as the location of infraction. We observed that citations issued during a four-month period were not entered into the GPD traffic citation system. The Records Division performs multiple functions within GPD, and entering traffic citation data is not considered a high priority task based on the labor hours available since information entered from these citations is used primarily for research and statistical data. According to management, it is estimated that one full time equivalent (FTE) is required to enter citations into the GPD traffic system. We determined that specific citation data is required by the Clerk and GPD and duplicate data was being processed by both. The Clerk of the Circuit Court has agreed to provide data weekly to GPD to input the additional data required by GPD.

Additionally, we determined that 59 traffic citations issued by GPD were not entered into the Clerk's traffic system. The Clerk indicates that no transmittals with the attached citations were received for the dates in question. Sixteen citations of the 59 issued for those two days were not paid. Since no original citations were received from GPD or the violators, the Department of Motor Vehicles could not be notified to suspend licenses, and the City was unable to recover these fines. The total traffic fine revenue for the 16 unpaid citations amounts to \$1,224.

Conclusion

Traffic citations were not always processed on a timely basis into the GPD traffic system database. Controls for ensuring timely transmittal of traffic citations should be improved.

Recommendation

We recommend that City management continue developing the information technology required to avoid data entry duplication of citation data and allow for timely processing of citations. Additionally, management should document the required procedures for ensuring receipt of the traffic citations received by the Clerk of the Circuit Court.

Traffic Violation Citations

During the period January 1, 1999 through September 30, 1999, a total of 18,299 traffic citations were issued requiring a court appearance or fine. The GPD Records Division is responsible for recording and processing citations. Citations are processed weekly and transmitted to the Clerk of the Circuit Court where the citation is entered into either the traffic system (if a court appearance is not required) or the criminal system (if a court appearance is required). The Clerk of the Circuit Court transmits this information weekly to the State of Florida Department of Motor Vehicle Division.

The violator has thirty days to pay the fine, request driver improvement school (reducing the fine or a court hearing to contest the citation) or request community service in cases of financial hardship. The violator must notify the Clerk of the Circuit Court of the option chosen. For violators opting to pay the fine, the citation is closed when payment is received. The Clerk of the Circuit Court remits the City's portion of payments on a weekly basis. In general, the City receives approximately 56% of the fine after statutory distributions.

There are three ways a citation may result in non-financial restitution.

1. If a judge grants community service, hours are assigned in lieu of payment. The violator selects from a list of approved agencies maintained by the County Community Service Division. Once community service hours are complete, the citation is closed.
2. If a judge renders a not guilty verdict, the citation is closed.
3. If the issuing officer is unable or fails to appear in court, citations are dismissed and no payment required.

We reviewed all traffic citations closed by the Clerk of the Circuit Court requiring no payment. Table B indicates the disposition of these closed citations and the resulting financial impact to the City.

**Table B
Financial Impact of Citations Closed for Non-Financial Restitution
January 1999 – September 1999**

Disposition of Citation	Number of Citations	Financial Impact to City for Non-Payment
Community Service	131 (40%)	\$14,989 (73%)
Not Guilty	111 (34%)	\$ 3,068 (15%)
Dismissal	85 (26%)	\$ 2,352 (12%)
Total	327 (100%)	\$20,409 (100%)

The total financial impact or revenue loss to the City is \$20,409. Approximately 73% of the fines from traffic citations closed with no payment result from violators requesting community service with a financial impact of almost \$15,000 to the City.

Civil Citations

During the period January 1999 through September 1999, 36 civil citations were issued, on average less than one citation per week. These citations consisted of four types of violations: noise, no sign permit, residential parking and storage of abandoned vehicles. Typically the law requires a warning to be first issued to the violator providing a time period for compliance. If the violation is not corrected in a timely manner, the violator is issued a citation.

Table C indicates the status of civil citations issued, total fines and dispositions from January through September 1999. The City Attorney's Office declined to prosecute nine or 25% of the civil citations issued because of deficiencies on the face of the citations.

**Table C
Civil Citations Issued and Dispositions
January 1999 - September 1999**

	Number of Paid Citations	Total Fines for Paid Citations	Number of Unpaid Citations	Total Fines for Unpaid Citations	Number of Improper Citations	Total Fines for Improper Citations
Noise	13	\$800	3	\$400	9	\$450
Parking	5	\$250	-	-	-	-
Sign Permit	2	\$150	-	-	-	-
Storage of Abandoned Vehicle	-	-	4	\$200	-	-
Total	20	\$1200	7	\$600	9	\$450

Conclusion

Overall, we found the City is receiving the appropriate amount of revenue for traffic citations from those sources allowed by law. However, there are areas where internal controls should be strengthened and these are addressed on the subsequent pages.