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News Release

For Immediate Release

Internal Audits Completed

City Council's Finance and Administration Committee has approved the release of two separate internal audits concerning the operations of the City of Springfield Municipal Court and loan approval procedures used to approve loans under the Small Business Development Loan Program. The audits are part of Council's approved annual audit plan and the reports are now available on the homepage of the City's website at www.springfieldmo.gov.

The purpose of the Municipal Court audit (pdf - 7.3mb) was to evaluate controls and identify opportunities to enhance the revenue collection procedures used to collect fines and court fees and to follow-up on the status of the Missouri State Auditor's report issued in August 2007. All four objectives received "green" ratings, according to the audit rating system adopted by Council in October 2011.

The Court implemented many improvements in controls and procedures since 2006 to further segregate duties in the cash collections and revenue cycle to address issues raised by outside consultants and the Missouri State Auditor's report.

The purpose of the Small Business Development Loan Program audit (pdf - 9.4mb) was to ensure loan approval procedures were followed in connection with the loan issued to Mr. Travis Dibben and to evaluate the effectiveness of the loan approval procedures for the program.

The auditor concluded that the Loan Committee, based on loan loss rates, has a history of prudent lending. Additionally, all small business loan applications tested followed all policies and procedures that were in place as of Oct. 31, 2011. The Auditor did find that additional information regarding Mr. Dibben's should have been obtained prior to Loan Committee voting on this specific loan application. The overall results of the audit indicate that the control environment of the Small Business Development Loan Program is a yellow rating. The yellow rating indicates a state in which the controls in place need improvement. Additionally, management has implemented additional procedures to further enhance the application screening process.

[About City of Springfield Municipal Division](#)

The City of Springfield Municipal Division is one of eight municipalities within the 31st Judicial Circuit, which is located in Greene County. It is governed by Chapter 479, RSMo and by Supreme Court Rule No. 37. Supreme Court Rule No. 37.49 provides that each municipal division may establish a violation bureau in which pleas of guilty and assessment of fines may be made pursuant to an established fine schedule and transmitted to the city treasury. The operating costs and court salaries of the municipal division are paid by the City's General Fund.

About the City of Springfield's Small Business Development Loan Program

The SBDL is designed to provide financial assistance to small businesses and nonprofit organizations to expand employment opportunities, stimulate private investment and eliminate slum and blight conditions in selected areas of the community. City Council established the program in 1984 and it is funded through the federal Community Development Block Grant program and through loan repayments.

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