

# Legislative Audit Division

## Report Summary

### Department of Justice

#### Financial-Compliance Audit For the Two Fiscal Years Ended June 30, 2004 Audit # 04-19

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This report documents the results of our financial-compliance audit of the Department of Justice (Department) for the two fiscal years ended June 30, 2004. The previous audit report contained seven recommendations. Of these, six were implemented and one was partially implemented.

This report contains four recommendations. The issues discussed in this report include problems with the collection of the Montana Law Enforcement Academy (MLEA) surcharge, unallowable charges to the State and Community Highway Safety grant, Internal Service Fund fees not commensurate with costs, and expenditure coding errors.

We issued an unqualified opinion on the financial schedules contained in this report. This means the reader can rely on the presented financial information and the supporting data on the state's accounting records.

The listing below serves as a means of summarizing the recommendations contained in the report, the Department's response thereto, and a reference to the supporting comments.

**Recommendation #1** We recommend the department:

- A. Work with the appropriate agencies and the counties to properly record the fiscal year 2004 MLEA Surcharge revenues.
- B. Provide training and guidance to the county treasurers and courts to ensure proper recording and transferring of MLEA revenues in the future.
- C. Contact the other 41 counties not tested to determine the proper MLEA Surcharge revenues were collected for fiscal year 2004. Page 8.

***Agency Response:*** Concur. See page B-4.

**Recommendation #2** We recommend the Department ensure all State and Community Highway Safety grant expenditures are allowable per the grant agreement and federal regulations. Page 9.

***Agency Response:*** Concur. See page B-4.

**Recommendation #3** We recommend the Department continue to take measures to decrease the negative Internal Service Fund balance, and to ensure that fees are commensurate with costs as required by state law. Page 10.

***Agency Response:*** Concur. See page B-4.

**Recommendation #4** We recommend the Department record expenditures according to state law. Page 11.

***Agency Response:*** Concur. See page B-4.