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CITIZENS SUMMARY

Findings in the audit of Polk County

Law Enforcement Sales Tax Fund	The amount of General Revenue Fund monies needed to support the Law Enforcement Sales Tax Fund increased significantly through 2011. Although the county has taken some steps to address this situation, a 2012 transfer of \$195,902 is still budgeted.
Disbursements	The county did not solicit bids, maintain bid documentation, or document why a sole source provider was used for several purchases. The county spends more than \$25,000 each year to operate a recycling center, but the center is not adequately monitored, collected recyclable materials are not sold when feasible, and agreements with other parties are not in writing. The county lacks procedures to follow up on fuel use discrepancies. For the year ended December 31, 2011, the county could not account for fuel valued at approximately \$10,400.
Prosecuting Attorney Controls and Procedures	Traffic ticket amendment and accounting duties are not adequately segregated, and no documented supervisory review is performed. A theft of \$209 was discovered when a defendant called to check on a payment, and, after investigating, the Prosecuting Attorney required repayment of the monies and terminated the employee in August 2011. The office does not issue receipt slips for traffic ticket payments, account for the numerical sequence of receipt numbers assigned by the accounting system, or deposit monies timely. The bad check clerk is able to post adjustments to the computer system without obtaining independent approval, making it difficult to ensure the validity and propriety of all adjustments. A dormant bank account had a balance of \$980 and should be closed, and case files could not be located for 3 of 22 cases selected for review.
Property Tax System Controls and Procedures	The property tax system controls and procedures need improvement. As noted in several prior audit reports, the County Clerk and County Commission did not perform adequate or timely reviews of property tax additions and abatements, and the County Clerk does not reconcile the court orders for additions and abatements to actual changes made to the property tax system. In addition, the County Clerk does not prepare or verify the accuracy of the current or back tax books, and neither the County Commission nor the County Clerk adequately reviews the County Collector's annual settlement.
Sheriff Controls and Procedures	Accounting duties are not adequately segregated in the jail and Sheriff's office, and no documented independent or supervisory review of jail deposits or other accounting records is performed. The Sheriff's office does not prepare a monthly list of liabilities and reconcile it to the cash balances for the commissary/inmate monies account. A list of liabilities prepared by audit staff was reconciled to the cash balances and a shortage of \$197 was identified. The seized property/evidence log is not accurate, and a physical inventory of seized property has not been conducted in at least 8 years. The Sheriff held commissary profits of \$3,300 outside the county treasury.

Public Administrator Controls and Procedures	Real estate and personal property were omitted from 3 out of 5 annual settlements reviewed by audit staff. Some invoices were not paid timely for 4 out of 5 annual settlements reviewed, and this along with inadequate review of invoices resulted in over payment to vendors.
Recorder of Deeds Bank Reconciliations	The Recorder of Deeds had not prepared formal bank reconciliations and identified month end liabilities since January 2010. At our request, the Recorder of Deeds prepared a list of liabilities, and the available cash balance exceeded identified liabilities by \$69 as of December 31, 2011.
Minutes, Personnel Policies, and Sheriff's Revolving Fund	County Commission minutes did not always include sufficient or correct information. A similar issue was noted in our prior audit report. The personnel policy manual has not been updated to reflect numerous changes made over the last several years. The county did not establish a Sheriff's Revolving Fund, as required by state law, so concealed weapon permit related fees were deposited into the Law Enforcement Sales Tax Fund and were not separately tracked.
Senate Bill 40 Board	The SB40 Board does not have written contracts with entities to which it provides funding and does not require the entities to submit financial reports or detailed information sufficient to allow the Board to monitor the use of the monies provided.
Additional Comments	Because counties are managed by several separately-elected individuals, an audit finding made with respect to one office does not necessarily apply to the operations in another office. The overall rating assigned to the county is intended to reflect the performance of the county as a whole. It does not indicate the performance of any one elected official or county office.

In the areas audited, the overall performance of this entity was **Fair**.^{*} However, the audit revealed serious shortcomings within the Prosecuting Attorney's office.

American Recovery and Reinvestment Act (Federal Stimulus)	During the audit period, Polk County received and expended \$55,543 in a Homelessness Prevention and Rapid Re-housing Program grant to provide homelessness prevention assistance and rapid re-housing assistance.
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^{*}The rating(s) cover only audited areas and do not reflect an opinion on the overall operation of the entity. Within that context, the rating scale indicates the following:

- Excellent:** The audit results indicate this entity is very well managed. The report contains no findings. In addition, if applicable, prior recommendations have been implemented.
- Good:** The audit results indicate this entity is well managed. The report contains few findings, and the entity has indicated most or all recommendations have already been, or will be, implemented. In addition, if applicable, many of the prior recommendations have been implemented.
- Fair:** The audit results indicate this entity needs to improve operations in several areas. The report contains several findings, or one or more findings that require management's immediate attention, and/or the entity has indicated several recommendations will not be implemented. In addition, if applicable, several prior recommendations have not been implemented.
- Poor:** The audit results indicate this entity needs to significantly improve operations. The report contains numerous findings that require management's immediate attention, and/or the entity has indicated most recommendations will not be implemented. In addition, if applicable, most prior recommendations have not been implemented.