



CITIZENS SUMMARY

Findings in the audit of Crawford County

County Sales Tax	As noted in our three prior audits, property tax reductions were not sufficient to offset 50 percent of sales tax monies received, and incorrect assessed valuations amounts were used in the property tax reduction calculation. Although the County Commission indicated after our last audit that it would take steps to correct this, the excess amount collected has increased to \$184,000 at December 31, 2012. Additional or increased property tax rollbacks will be required to offset this liability.
Property Tax System Controls and Procedures	Controls and procedures over the property tax system need improvement. The County Collector and her staff have access to the property tax system to enter additions and abatements as well as to void receipt transactions after they are completed, and no documentation is maintained for voided transactions, increasing the risk of unsupported or unauthorized changes being made. The County Commission does not review additions and abatements in a timely manner. As noted in our prior report, the County Clerk does not maintain an account book or other records summarizing property tax charges, transactions, and changes, and neither the County Clerk nor the County Commission verifies the accuracy of the County Collector's annual settlements, so errors and irregularities could go undetected.
Senate Bill 40 Board	Some disbursements made by the Senate Bill 40 Board (SB40) may not be allowed by state law. Questionable disbursements include holiday gifts to employees, employee meals during field trips, and food during board meetings. The SB40 Board does not adequately review the work of the operations manager. The operations manager processes payroll for all employees, including herself, but the SB40 Board does not review a payroll register or approve payroll disbursements each pay period. The SB40 Board does not review the monthly bank reconciliations prepared by a Certified Public Accounting firm and does not follow up to ensure the amounts provided on the financial report are accurate. A former executive director pleaded guilty to forgery and was sentenced to supervised probation and ordered to pay \$2,500 to the SB40 Board and \$15,440 to the SB40 Board's bonding company. Proper controls and review procedures are necessary to minimize the likelihood of a similar situation and reduce the risk of loss, theft, or misuse of SB40 Board assets. The SB40 Board sometimes discusses topics in closed meetings which are not allowed by the Sunshine Law. The SB40 Board rents space in its building to multiple private businesses, but it has no documentation showing how rental rates were determined and whether they are comparable to the market value.
Sheriff's Procedures	As noted in our prior audit report, the Sheriff's accounting procedures need improvement. Deposits are not reconciled to receipts and are not made timely, which increases the risk of loss, theft or misuse of monies. The

Sheriff's office does not prepare a monthly list of liabilities and reconcile it to the cash balance for the Sheriff's commissary account. The November 30, 2012, reconciled bank balance exceeded the inmate account listing balance by \$1,306, and the Sheriff's office could not determine to whom the excess funds were owed. The Sheriff's office does not maintain a summary control log documenting all seized property, case reports do not clearly document which items were seized as evidence, and the office has not conducted a physical inventory of all seized property.

Prosecuting Attorney's Procedures	As noted in our prior audit reports, the Prosecuting Attorney's office does not timely transmit bad check restitution payments to merchants and does not prepare a monthly list of liabilities and reconcile it to the cash balance for the Prosecuting Attorney's account. At January 31, 2013, the reconciled bank balance exceeded liabilities by \$1,545, and the Prosecuting Attorney's office has been unable to determine to whom the excess funds were owed.
County Procedures	As noted in our prior audit report, the county allows employees to accrue and carry forward more annual leave than allowed by county policy and allows employees to have negative compensatory time balances, including one employee with a balance of negative 60 hours, which is not allowed by county policy. The Sheriff's office does not calculate compensatory time accrued in accordance with county policy. The county did not maintain minutes for closed meetings and county offices do not require employees to change passwords periodically.
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**.*

*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.