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CITIZENS SUMMARY

Findings in the audit of New Madrid County

Public Administrator Controls and Procedures

Numerous problems were noted with the former Public Administrator's procedures and records. The Public Administrator withdrew \$2,178 from the Trust Fund bank account, closed the account and claimed these were his personal funds, but he could not prove that \$602 of this money was his, and these monies are owed to various wards/estates. He also owes the county \$240 because he requested reimbursement for the same expenses twice. The Public Administrator did not timely distribute some funds to wards/estates, and lacked adequate supporting documentation for \$2,034 of indigent expenses. Concerns were noted with the purchases of gift cards, a television, and alcoholic beverages, and providing cash to wards. The Public Administrator did not assess and collect fees from the accounts of some wards/estates, and the Associate Circuit Court does not adequately monitor the activity of cases assigned to the Public Administrator. The Public Administrator cannot account for 249 checks and lacked adequate supporting documentation for some disbursements from ward bank accounts.

Personnel Policies and Procedures

The county does not compensate some employees for overtime in compliance with its overtime policy and the Fair Labor Standards Act of 1938 (FLSA) requirements. The county has not followed its own personnel policies regarding employee leave, some policies and practices conflict with other payroll records and personnel policies, and policies do not adequately address holidays. Employees accrued more compensatory time and carried forward more vacation and leave hours than allowed by county policy. Three Sheriff's office deputies were allowed to accrue compensatory time in excess of 480 hours, in violation of the FLSA. Employee timesheets leave and compensatory time records, and other payroll records were not adequately reviewed, and the County Commission does not require several salaried employees to prepare and submit timesheets.

Disbursements and Budget Amendments

The County Commission is not obtaining information needed to properly monitor the costs and benefits of the county airport. In addition, the County Commission has not solicited bids for airport management services for 10 years and did not justify reasons for considering this a sole source contract. The County Commission has not solicited proposals for health insurance since 2007, and County Commissioner Baker made the motion and voted to approve purchasing health insurance from a broker who is his brother-in-law and County Clerk Cravens' brother. The broker was paid \$14,190 during 2012. The County Commission has not solicited bids for 10 years and did not document justifications for sole source procurements for two service contracts; one for computer systems maintenance with a company owned by the former County Clerk, and the other for repairs and maintenance with a company owned by the former County Highway Engineer. The county does not track days worked by the repairs and maintenance vendor and does not require detailed invoices. During 2012, the county provided 6 not-for-profit organizations a total of \$28,000, but these entities are not contractually obligated to provide documentation on how these funds were spent. Budget amendments contained insufficient information, were not timely completed, and were not filed with the State Auditor's office.

Recorder of Deeds Controls and Procedures	The Recorder of Deeds did not investigate overages in her account, and an overage of \$8,875 exists in this account as of May 31, 2013. The Recorder of Deeds does not prepare monthly bank reconciliations or lists of liabilities, timely record deposits, or maintain a running cash balance, and disburses amounts charged throughout the month even though these amounts have not been collected yet. The Recorder of Deeds does not reconcile the amount and composition of recorded receipts to deposits and does not always deposit receipts intact.
Property Tax System Controls and Procedures	Neither the County Clerk nor the County Commission adequately reviews the activities of the County Collector. The County Clerk does not maintain an account book summarizing property tax charges, transactions, and changes, and there is no evidence that procedures are performed to verify the accuracy and completeness of the County Collector's annual settlement. The County Collector and his deputies have unlimited access rights to the property tax system, which could result in the deletion or alteration of data files and programs. The County Clerk does not compare changes initiated by the County Assessor's office to the actual changes made in the property tax system by the County Collector's office. The County Commission and County Clerk do not review and approve court orders in a timely manner, and documentation supporting the removal of old unpaid personal and real estate property tax amounts is not provided to the County Commission for its review.
Prosecuting Attorney Controls and Procedures	The Prosecuting Attorney has not adequately segregated accounting duties or performed a supervisory review of accounting records. Receipt slips are not issued for some monies received. The Prosecuting Attorney lacks adequate procedures to properly track, monitor, and collect court-ordered restitution due from defendants and to account for and monitor the disposition of all bad checks submitted for collection.
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 **Poor**.*

*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.

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