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Missouri State Auditor

CITIZENS SUMMARY

Findings in the audit of the Lewis County Collector and Property Tax System

Background	Section 52.150, RSMo, requires the State Auditor to audit the office of a County Collector after being notified of a vacancy in that office. A vacancy occurred in the office of the County Collector of Lewis County on October 28, 2013. A successor was appointed and sworn into office effective December 23, 2013. The scope of our audit included, but was not necessarily limited to, the 2 years ended February 28, 2014.
County Collector Controls and Procedures	Despite similar concerns noted in our 3 prior audits, significant weaknesses continued to exist throughout the former County Collector's time in office, and weaknesses continue to exist in the current County Collector's office. The County Collector's office does not always use the actual date of receipt when recording payments and does not account for the numerical sequence of receipt numbers. The County Collector lacks adequate procedures for receipting and depositing monies and does not reconcile receipts to deposits and disbursements, causing differences to go undetected and uncorrected. The County Collector does not deposit receipts intact, does not timely prepare bank reconciliations or lists of liabilities, lacks adequate procedures for the collection and recording of non-sufficient funds checks, and has not segregated accounting duties.
Property Tax System Controls and Procedures	As noted in our prior audit, the County Collector does not prepare timely annual settlements. The former County Collector did not prepare annual settlements for the year ended February 28, 2013, and the year ended February 29, 2012, and, as of August 1, 2014, the current County Collector had not finalized the annual settlement for the year ended February 28, 2014. Controls over property tax additions and abatements are not adequate, there is no independent comparison of property assessment changes made by the County Assessor to changes made in the property tax system by the County Clerk, and the County Collector is able to enter additions and abatements in the computer system.

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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