



Thomas A. Schweich
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CITIZENS SUMMARY

Findings in the audit of Perry County

Financial Condition	As noted in our prior audit report, the financial condition of the General Revenue Fund is weak. The balance of the fund at December 31, 2013, was \$77,885 and is not expected to significantly improve during 2014. In 1997, the county authorized the sale of \$10.4 million in general obligation bonds to pay for the cost of constructing a multi-purpose center. Voters approved a one-half cent sales tax to fund annual principal and interest payments; however, the sales tax is set to expire on March 31, 2017, and revenues are expected to fall short in paying off the bonds. As a result, projected shortfalls of at least \$202,000 in the Local Park Sales Tax Fund may further weaken the General Revenue Fund. Further, the county has reduced property tax rates more than required during a time when the financial condition of the General Revenue Fund is weak.
Property Tax System	Neither the County Commission nor the County Clerk adequately reviews the financial activities of the County Collector. The County Clerk updates the tax books based on changes made to the property tax system, but does not use this record to review the County Collector's annual settlements, and this record does not include all information needed to verify annual settlements. The County Commission does not review and approve the County Collector's annual settlements.
Sheriff Controls and Procedures	The Sheriff has not adequately segregated accounting duties and does not perform an adequate supervisory review of the accounting records. The Sheriff holds profits generated by the jail commissary for future use by his office, and does not deposit them into the county Inmate Prisoner Detainee Security Fund as required by state law. The Sheriff uses the profits to purchase supplies and equipment, circumventing the normal budget and procurement process. The Sheriff's office does not track commissary profits and it is unclear whether the Sheriff's office can account for all profits. The Sheriff also does not reconcile fuel purchases to fuel usage for the Sheriff's bulk fuel tank, and does not document his review of fuel usage reports.
County Procedures	The county does not have adequate procedures to monitor rock usage by the road and bridge department from the county-owned rock quarry. As noted in our prior audit, the county does not properly monitor fuel use from the department's 2 bulk fuel tanks or reconcile fuel billings to fuel use records for the road and bridge department. The County Clerk, County Collector, Prosecuting Attorney, Sheriff, Public Administrator, and County Assessor do not require employees to change passwords on a periodic basis, and security controls are not in place for most county offices to lock a computer after a certain period of inactivity. The County Clerk did not maintain documentation of calculations used to support sales tax and voluntary reductions, and the County Clerk did not properly consider prior year levy reduction results when performing his annual calculations.

Prosecuting Attorney Controls and Procedures	The Prosecuting Attorney does not have controls and procedures in place to ensure court-ordered restitution received is timely remitted to victims. For 4 of 10 cases reviewed, restitution received, totaling \$6,185, had not been disbursed as of December 31, 2013. The Prosecuting Attorney's office received payments for restitution on these cases between January 2006 and December 2013 and balances available for disbursement ranged from \$933 to \$2,381 for each case.
Public Administrator Controls and Procedures	The Public Administrator's office does not issue receipt slips for or maintain a log of monies received, endorse checks upon receipt, or deposit receipts timely. The Public Administrator does not reconcile prepayments made for burial plans to actual funeral expenses subsequently incurred, and as a result, the Public Administrator has paid more than actual cost for funeral expenses for at least one ward.
Recorder of Deeds Segregation of Duties	The Recorder of Deeds has not adequately segregated accounting duties. The deputy clerk receipts monies and prepares the deposit; however, the Recorder of Deeds performs all remaining functions. An independent review of detailed accounting records or a comparison of monies received and deposited to the bank statements is not performed.
Senate Bill 40 Board Closed Minutes	The Senate Bill 40 Board held 3 closed meetings from January 2013 to January 2014, but did not always follow Sunshine Law requirements. The Board did not cite a specific section of the law as the reason for entering into closed session or document the vote of each member approving to enter into closed session. Additionally, the Board did not make public the results of the votes taken and the final disposition of matters discussed in closed meetings, when required.
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.

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