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CITIZENS SUMMARY

Findings in the audit of Phelps County

Prosecuting Attorney's Controls and Procedures	The prosecuting attorney has not adequately segregated accounting duties and does not perform an adequate supervisory review of accounting records. The prosecuting attorney does not restrictively endorse checks and money orders immediately upon receipt and does not deposit receipts timely.
Property Tax System Controls and Procedures	The county clerk and/or county commission do not adequately review the county collector's financial activities, including property tax collections. The county clerk does not maintain an account book or other records summarizing property tax records, and as a result, has not verified the accuracy of the county collector's annual settlement filed by the county collector in March 2015. The county commission also has not adequately restricted access to the property tax system. The county collector, who is responsible for collecting taxes, has inappropriate access rights in the property tax system that allows changes to be made to individual tax records throughout the tax year. Additionally, the county collector and county treasurer do not distribute payment in lieu of taxes received from the Department of Conservation to the applicable political subdivisions.
Sheriff's Liabilities	As noted in prior audits, sheriff's personnel do not prepare monthly lists of liabilities for the commissary account, and consequently, liabilities are not compared to the reconciled bank balance.
County Procedures	As noted in a prior report, the county commission does not maintain documentation supporting the annual transfer from the Unemployment Fund to the General Revenue Fund. The county commission has not adopted a formal policy related to the employment and supervision of related employees. The road and bridge department does not have a procedure in place to monitor fuel use.
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 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 **Good**.*

*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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