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CITIZENS SUMMARY

Findings in the audit of Douglas County

County Procedures	As noted in previous audit reports, the road and bridge department does not maintain mileage and fuel logs for its vehicles and equipment. Although the sheriff's office maintains fuel logs, employees do not always enter odometer readings or reconcile logs to fuel purchases. Additionally, county personnel policies need improvement. Two non-supervisory employees of the road and bridge department accrued excessive leave balances because the county considered them emergency personnel; however, the Fair Labor Standards Act (FLSA) does not define those employees as emergency personnel. One employee accrued significantly more hours than allowed by the FLSA even for emergency personnel, and the amount of accrued leave for both employees violated county policy. The road and bridge department supervisor directly oversees his son, a full-time department employee, and county policy does not address employment of related individuals. County policy also does not comply with the Family and Medical Leave Act. Although the Act provides 12 weeks of job protected, unpaid leave for eligible employees due to pregnancy, prenatal care, child birth or care of a child after birth or adoption, county policy indicates expectant mothers can have 6 weeks of unpaid leave and can also use accrued vacation and sick leave.
Electronic Data Security	The county collector, county assessor, county clerk, recorder of deeds and sheriff have inadequate password controls to reduce the risk of unauthorized access to computers and data. These offices do not require employees to change their passwords periodically. Some county offices also do not have controls in place to lock computers after incorrect logon attempts or after periods of inactivity.
Prosecuting Attorney's Controls and Procedures	As noted in previous audit reports, the prosecuting attorney does not segregate accounting duties adequately or perform supervisory reviews of accounting records maintained by his legal assistant. The assistant is solely responsible for receiving, recording, and depositing money and can make adjustments in the accounting system without independent approval. The office does not deposit money timely or disburse restitution payments to victims timely. Restitution payments often are held until a significant amount of money is received for a victim; as a result, some money has been held since 2011 and 2012. The prosecuting attorney also does not adequately reconcile liabilities to the reconciled bank balance, resulting in \$1,465 in unidentified money in an account.
Public Administrator's Controls and Procedures	Some annual settlements filed by the public administrator lack adequate detail; for example, the source for money received is not always accurately documented, and supporting records like bank statements are not always filed with the settlement. Some settlements are filed late, and the court does not always notify the public administrator of the deadlines, as required by law. In one case, the public administrator had still not filed a settlement more than 8 months after the deadline. As noted in a prior audit, the public administrator does not adequately document the disbursements of gift cards. For one ward living in Florida, the administrator did not maintain receipts indicating the ward received gift cards worth \$1,355, a \$250 check, or a phone.

Sheriff's Controls and Procedures	As noted previously, the sheriff's office does not prepare monthly bank account reconciliations or a list of liabilities for its civil fee bank account, and \$718 of unidentified monies were in the account. The office does not deposit money timely, increasing the risk of loss, theft or misuse of funds. Additionally, the sheriff's office does not perform a physical inventory of seized property and has held onto some property for years, with some items dating back to at least 2006.
County Collector's Receipts and Deposits	The collector's office does not always accurately record the method of payments received (cash, check, money order or credit card), and auditors identified instances where deposits for types of payments did not agree to receipts. The office also does not always make timely deposits.
Recorder of Deeds' Controls and Procedures	The recorder of deeds had not prepared bank reconciliations or lists of liabilities since October 2013. The recorder does not deposit money timely and does not account for the numerical sequence of transaction numbers in the accounting system. Fifteen numbers were missing and later determined to have been voided.
County Clerk's Deposits	The county clerk does not deposit money timely, increasing the risk of loss, theft or misuse of funds.
County Assessor's Controls and Procedures	The assessor has not adequately segregated accounting duties of the two employees who collect, record and transmit money to the county treasurer. The assessor also does not perform a documented supervisory review of accounting records to ensure accuracy. Auditors identified a number of concerns when reviewing transactions, including \$38 in overpayments that had been held since 2012, a payment for \$19 in February 2015 for which a receipt slip was not issued until June 2015, and a \$5 shortage for cash on hand.
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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