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CITIZENS SUMMARY

Findings in the audit of Lawrence County

County Procurement Process	The County Commission did not retain sufficient documentation to support awarding the bid for pretrial electronic monitoring services. As a result, it is unclear why the County Commission awarded the bid to the vendor selected. The County Commission also did not adequately document discussions and decisions concerning a potential conflict of interest.
County Collector's Controls and Procedures	The County Collector's annual settlement for the year ended February 29, 2016 was not accurate. The County Collector withholds a one-half percent commission for the Assessment Fund that is limited to \$75,000, but does not monitor amounts withheld or limit the amount deducted from tax collections. The County Collector does not prepare a monthly list of liabilities for the property tax collection bank account. The County Collector does not issue receipt slips for partial payments received from taxpayers who are unable to pay their tax bills in full. In addition, the County Collector does not compare the partial payment ledger maintained to the reconciled bank balance for the partial payment account monthly. The County Collector does not issue receipt slips for payments received for duplicate tax receipts, and those monies are held in a petty cash fund. Office personnel do not always record the method of payment accurately in the property tax system, and the composition of receipts recorded in the property tax system is not reconciled to the composition of deposits. The County Collector does not have adequate procedures for non-sufficient funds checks.
Sheriff's Controls and Procedures	Official prenumbered receipt slips are not issued by the Sheriff's office. Manual receipt slips issued at the jail are not always issued in numerical sequence, and manual receipt slips were not issued for 2 cash bonds received. In addition, the numerical sequence of manual receipt slips issued at the jail is not accounted for properly and reconciled with the monies transmitted to and recorded in the Sheriff's office. Bond forms are not prenumbered, and a reconciliation between bond forms and the manual receipts slips issued by the jail is not performed. The Sheriff's office procedures for the refunding of inmate monies with debit cards are not adequate. A physical inventory of seized property has not been performed, and some seized property has been held for years with some items dating back to 1979.
Prosecuting Attorney's Receipting and Transmitting	The Bad Check Clerk does not account for the numerical sequence of receipt slips, and documentation (victim letters or victim case cards) is not always maintained to support the transmittal of bad check and court-ordered restitution payments to victims.
Electronic Data Security	Controls over county computers are not sufficient. As a result, county records are not adequately protected and are susceptible to unauthorized access or loss of data.
Payroll Controls and Procedures	County officials have not always followed established employee policies. Full-time employees are paid in advance for their services, and there is no comparison of actual time worked to time previously reported.

Recorder of Deeds' Segregation of Duties	The Recorder of Deeds has not adequately segregated accounting duties or ensured independent reviews of detailed accounting and bank records are performed.
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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