



**Nicole Galloway, CPA**  
Missouri State Auditor

# CITIZENS SUMMARY

## Summary of findings in audits of Department of Revenue - Contract License Offices

Sales Tax Transactions	The license office did not always properly document or accurately process sales tax transactions. The license office did not always retain adequate documentation to support purchase price amounts on vehicle sales tax transactions. License office personnel erroneously processed transactions in the computerized system, causing incorrect net purchase price amounts to be used when calculating taxes due. Personnel sometimes used inaccurate purchase prices or incorrectly applied or excluded credits. License office personnel sometimes charged a lower tax rate than required based on the taxpayer's address, thereby reducing total tax collections.
Segregation of Duties	The license office did not have adequate segregation of duties, and there was no documented oversight by the contract agent.
Prepayment Void Transactions	Prepayment void transactions were not always properly handled. License office management personnel did not always perform independent supervisory reviews for prepayment void transactions. License office personnel did not always document the reasons for voiding transactions prior to payment or obtain customer acknowledgement for applicable transactions.
Accounting Controls and Procedures	The license office did not always accurately record the method of payment (cash, check, or credit card) in the accounting records and did not reconcile the composition of monies received to deposits. The license office did not always make intact deposits. The license office did not issue manual receipt slips for driving record sales or always record the method of payment on manual receipt slips.
Contract Compliance	The license office did not always accurately update perpetual inventory records for items such as license plates, tabs, decals, and permits.
Statutory Compliance	License office personnel did not normally ask if customers wanted to donate to the organ donor program, blindness awareness program, and/or the World War I Memorial Trust Fund, as required by state law.
No Fee Identification Log	The license office did not record some identification cards issued for no fees on the office log, as required by the DOR.

Due to the nature of this report, no rating has been provided.