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CITIZENS SUMMARY

Findings in the audit of Shannon County

Financial Condition and Sales Tax Rollback	The General Revenue Fund is in poor financial condition, and the county has not sufficiently reduced the property tax levy to offset 50 percent of sales tax monies received resulting in approximately \$333,000 of excess property taxes collected that were not sufficiently adjusted in subsequent years.
County Collector's Controls and Procedures	The County Collector has only filed 1 annual settlement, out of the 11 required by law, since taking office in March 2007. The County Collector does not prepare bank reconciliations and lists of liabilities or maintain a running checkbook balance. Collections received by the County Collector are not disbursed timely.
Property Tax System	The County Clerk does not prepare or verify the accuracy of the current and delinquent tax books.
Sheriff's Controls and Procedures	The Sheriff has not adequately segregated accounting duties and does not perform documented supervisory reviews of detailed accounting and bank records. The Sheriff's office has not remitted net proceeds to the County Treasurer from the inmate commissary account for deposit into the Inmate Prisoner Detainee Security Fund, and the County Commission has not established that fund. Receipt slips were not issued for some receipts, and deposits are not always made timely or intact. The Sheriff maintains a concealed carry weapon bank account outside the county treasury. Commissary inventory records are not accurate.
Public Administrator's Annual Settlements	The Public Administrator did not include \$17,747 in paychecks received by 5 wards on their annual settlements filed during the year ending December 31, 2017.
County Boards	The Senate Bill 40 Board Treasurer does not prepare bank reconciliations. The County Commission did not hold a public hearing and approve the Senate Bill 40 or the Senior Services property tax rates. The County Commission does not appoint individuals to fill vacancies on the Senate Bill 40 Board as required by state law.
Personnel Policies, Leave Records, and Conflict of Interest	County officials do not always follow personnel policies or update the policies when related procedures change. The County Clerk does not maintain leave records for county employees and does not ensure leave is accrued in accordance with county policy. The Northern District Associate Commissioner supervises his brother, a Northern District road and bridge employee, which presents a conflict of interest.
Capital Assets	Procedures and records to account for county property are not adequate.

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.