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CITIZENS SUMMARY

Findings in the audit of Jackson County Community Backed Anti-Crime Tax (COMBAT) Fund

Funding and Monitoring	<p>The percentages of COMBAT estimated revenues allocated to the various county departments or outside entities established by Resolution 10950 have not been updated since 1995. While the percentages established by the resolution are not required to be followed, the County Legislature has chosen to use those same percentages for over 20 years. Resolution 10950 does not address the additional significant funding provided to programs or departments from the COMBAT Fund's available fund balance that has increased to approximately \$11.9 million as of December 31, 2018. The county has not developed a plan for ensuring that performance evaluations of the programs funded by COMBAT are performed annually as required by county code.</p>
MyArts Building	<p>The county sold the MyArts building in 2017 for \$10 to the Independence School District without an independent appraisal or cost-benefit analysis. After purchasing the building in 2010 for \$1 from the City of Independence, the county spent over \$1 million of COMBAT funds to renovate the building. The COMBAT program operating out of this building ended and the building was vacant by January 2017. A partnership with the Independence School District was attempted but was unsuccessful. Potential uses for the building by other county departments were presented to the County Legislature. However, documentation indicating the County Legislature considered and discussed those options for the building, or how the sales price was determined, was not provided.</p>
Agency Funding	<p>The County Legislature appropriates COMBAT funds to outside agencies, without going through the comprehensive process the COMBAT unit follows in awarding similar contracts to agencies. The contracts awarded to one outside agency by the County Legislature, totaling \$120,000 during 2017 and 2018, were a questionable use of COMBAT monies. The COMBAT unit does not always monitor and enforce contract terms for agencies awarded treatment, prevention, or anti-violence contracts paid from the COMBAT Fund, and has not determined if the county's goals for minority hiring and employment has been met for any new jobs created through contracts with agencies receiving funding. One agency funded by the COMBAT unit did not submit any documentation to support how a \$5,000 advance received in September 2016 was used for COMBAT purposes. Approximately 75 agencies receive funding annually, but a system for tracking which of these agencies have received site visits has not been established. Site visits are not performed of all agencies receiving funding from the COMBAT each year, and documentation to support the site visits actually performed was not adequate.</p>
Disbursements	<p>Documentation was not submitted or was inadequate to support some disbursements made from the COMBAT Fund.</p>

Payroll	The Prosecuting Attorney's administrative control of the COMBAT Fund started on December 28, 2017, when the County Legislature overrode the County Executive's veto of ordinance 5061 that, in part, updated County Code by transferring supervision of the day-to-day administration of the COMBAT tax and COMBAT Commission to the Prosecuting Attorney. Approval from the Prosecuting Attorney was not obtained before processing 7 employee change authorization forms affecting payroll allocations to the COMBAT Fund in January 2018. The county has no documentation to support some allocation of salaries to the COMBAT Fund.
Vehicle Allowances	The county does not have documentation to support how vehicle allowance amounts paid from the COMBAT Fund are reasonable and necessary.

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.



Recommendations in the audit of Jackson County Community Backed Anti-Crime Tax (Combat) Fund

Funding and Monitoring

The County Legislature, County Executive, and Prosecuting Attorney:

- 1.1 Work with the COMBAT Commission to perform a comprehensive review of the sales tax allocation percentages to determine the appropriateness of funding currently being provided and to determine if any changes are necessary to the allocation percentages. In addition, ensure each entity's annual appropriation from the COMBAT Fund is equal to its share of the allocation.
- 1.2 Ensure all programs and activities budgeted through the COMBAT Fund are included in the allocation percentages. In addition, work with the COMBAT Commission to establish the total amount of COMBAT funds to be allocated each year.
- 1.3 Determine the amount of annual funding to provide for evaluations of the programs funded by the COMBAT and ensure evaluations are performed in accordance with county code.

MyArts Building

The County Legislature, County Executive, and Prosecuting Attorney ensure an evaluation of other options for county property, such as repurposing the building for use by other departments, and a cost-benefit analysis of available options is performed prior to its sale. If a sale is determined to be the best option, an independent appraisal should be obtained to help determine the value of the property prior to the sale.

Agency Funding

The County Legislature, County Executive, and Prosecuting Attorney:

- 3.1 Ensure all agencies applying for funding from the COMBAT Fund go through the selection process utilized by the COMBAT unit.
- 3.2 Ensure all uses of COMBAT monies are appropriate and supported by adequate documentation. In addition, payments to outside agencies should only be made after there is assurance the entities are in compliance with contract requirements.
- 3.3 Ensure payments are only made for invoices submitted timely, amounts paid on contracts are allowable per contract terms, and payments are limited to the monthly allowable amount.
- 3.4 Establish procedures to monitor the minority hiring and employment percentages proposed by agencies in their funding applications.
- 3.5 Discontinue providing advances.
- 3.6 Ensure site visits are performed periodically to determine if agencies are accomplishing outcomes established in their contracts and ensure documentation of each site visit is maintained.

Disbursements	The County Legislature, County Executive, and Prosecuting Attorney ensure all purchases are a reasonable and appropriate use of COMBAT monies and adequate documentation is obtained to support all disbursements. In addition, officials should determine if the COMBAT Fund should be repaid from another funding source for the amount paid for the vehicle.
Payroll	<p>The County Legislature, County Executive, and Prosecuting Attorney:</p> <ol style="list-style-type: none"> 5.1 Ensure all uses of COMBAT funds are appropriate and any allocations made to the COMBAT Fund are approved by the responsible official. 5.2 Allocate salary expenses to the COMBAT Fund based upon specific criteria, retain documentation to support the allocations made, and ensure all salaries paid are an appropriate use of COMBAT monies.
Vehicle Allowances	The County Legislature, County Executive, and Prosecuting Attorney review vehicle allowances paid from the COMBAT Fund, ensure adequate support for the allowances is maintained, and ensure the allowances relate to COMBAT Fund activities.