



Nicole Galloway, CPA
Missouri State Auditor

CITIZENS SUMMARY

Findings in the audit of Madison County

Sheriff's Controls and Procedures	<p>The Sheriff has not adequately segregated accounting duties and does not ensure supervisory reviews of detailed accounting and bank records are performed. The Sheriff has not established adequate procedures for receipting, depositing, transmitting, and disbursing monies. Sheriff's office personnel do not prepare a monthly list of liabilities for the civil paper service/bond account or the commissary account, and consequently, liabilities are not agreed to the reconciled bank balances. The Sheriff has not resolved inactive bank accounts remaining from the prior Sheriff. The Sheriff's office has not established adequate records and procedures over inmate ledgers and commissary orders. The Sheriff does not disburse commissary net proceeds to the county Inmate Prisoner Detainee Security Fund as required by state law and the Sheriff used commissary net proceeds to purchase items for jail operations outside the normal county procurement or budget process. The Sheriff's office does not maintain perpetual inventory records of commissary items and periodic physical inventory counts are not performed. The Sheriff's office does not charge or collect sales taxes on commissary sales, and no sales taxes are remitted to the Missouri Department of Revenue. The Sheriff has not established adequate procedures to ensure timely collection of amounts billed for mileage relating to civil paper service. The Sheriff has not entered into written agreements with the surrounding counties or cities for the boarding of prisoners detailing the housing rate to be paid, the services to be provided, or any required notification for emergency or non-routine situations. The Sheriff's office has not established adequate controls and procedures over seized property.</p>
Prosecuting Attorney's Controls and Procedures	<p>The Prosecuting Attorney's bad check bank account had \$426 of unidentified monies at December 31, 2019. The Prosecuting Attorney has not established adequate procedures to ensure restitution amounts owed by defendants are accurately entered into the computer system.</p>
Recorder of Deeds' Controls and Procedures	<p>The Recorder of Deeds does not record some monies received and some receipts are not disbursed. The Recorder of Deeds does not account for the numerical sequence of receipt slip numbers and has not resolved the unidentified balance in her bank account.</p>
Property Tax Levy Reductions	<p>The County Clerk did not use accurate assessed valuation amounts when performing his annual property tax reduction calculations.</p>
Electronic Data Security	<p>The Public Administrator, Recorder of Deeds, and Sheriff have not established adequate password controls to reduce the risk of unauthorized access to computers and data. The County Clerk, County Treasurer, Public Administrator, Recorder of Deeds, and Sheriff do not have security controls in place to lock computers after a specified number of incorrect logon attempts and/or after a certain period of inactivity.</p>

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.



Recommendations in the audit of Madison County

**Sheriff's Controls and
Procedures**

The Sheriff:

- 1.1 Segregate accounting duties or ensure independent or supervisory reviews of detailed accounting, bank, and commissary records are performed and documented. In addition, the Sheriff should only sign the bank reconciliations after a review of the detailed accounting and bank records has been performed.
- 1.2 Issue receipt slips for all monies received, deposit monies timely, and transmit or disburse monies monthly in accordance with state law.
- 1.3 Prepare monthly lists of liabilities and reconcile the lists to the available cash balances. Any differences between accounting records and reconciliations should be promptly investigated and resolved. Any unidentified monies should be disposed of in accordance with state law.
- 1.4 Attempt to identify and distribute the funds held in old inactive bank accounts, dispose of any unclaimed or unidentified funds in accordance with state law, and close the accounts.
- 1.5 Establish procedures to ensure the accuracy of all inmate ledgers and available balances, including maintaining documentation for all commissary transactions, reviewing commissary order forms for accuracy, and deducting all commissary purchases from inmate balances.
- 1.6 Ensure existing and future commissary net proceeds not necessary to meet cash flow needs or current operating expenses are disbursed to the County Treasurer for deposit in the Inmate Prisoner Detainee Security Fund.
- 1.7 Maintain inventory records of commissary items and reconcile the records to purchases, sales, and periodic physical inventory counts.
- 1.8 Contact the DOR for guidance on establishing procedures for charging and collecting sales taxes on commissary sales, and ensure all future sales tax collections are remitted to the DOR.
- 1.9 Establish procedures to track, monitor, and pursue collection of amounts billed for civil paper service mileage.
- 1.10 Work with the County Commission to obtain written agreements with counties and cities for the boarding of prisoners. In addition, the Sheriff and the County Commission should periodically analyze incarceration costs to ensure boarding prisoners at no charge is cost effective.

- 1.11 Maintain a complete and accurate seized property evidence listing and ensure periodic physical inventories are conducted and reconciled to the seized property evidence listing. Any differences should be investigated and resolved. In addition, all seized property should be properly tagged to identify the property to a specific case.

Prosecuting Attorney's
Controls and Procedures

The Prosecuting Attorney:

- 2.1 Disburse unidentified monies in accordance with state law.
- 2.2 Establish procedures to review restitution amounts entered into the computer system to ensure amounts agree with court documentation. Any differences should be promptly investigated and resolved.

Recorder of Deeds' Controls
and Procedures

The Recorder of Deeds:

- 3.1 Ensure all monies received are properly receipted and disbursed and account for the numerical sequence of receipt slips issued.
- 3.2 Disburse unidentified monies in accordance with state law.

Property Tax Levy Reductions

The County Commission and the County Clerk properly calculate property tax rate reductions.

Electronic Data Security

The County Commission work with other county officials to:

- 5.1 Require each employee to have a confidential password with a minimum number of characters that is periodically changed.
- 5.2 Require each county computer to have security controls in place to lock it after a specified number of incorrect logon attempts and after a certain period of inactivity.