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CITIZENS SUMMARY

Findings in the audit of the Cornland Special Road District

Services Performed By Commissioners	Commissioners received payments for providing road work for the district, creating an apparent conflict of interest. Additionally, the district did not report amounts paid to the Commissioners to the Internal Revenue Service.
Bidding Procedures and Written Agreements	The district does not have a formal bidding policy and bids or proposals were not solicited during the year ended December 31, 2021, for gravel costing approximately \$9,200 and rock hauling services costing approximately \$4,400. Also, the district did not enter into written agreements for road work, rock hauling, and administrative services.
Oversight and Segregation of Duties	The Board has not established adequate oversight or segregation of duties over the various financial accounting functions performed by the Secretary/Treasurer, and some district checks were signed only by the Secretary/Treasurer.
Sunshine Law	The Board does not always provide public notice of Board meetings, and agendas and meeting minutes are not prepared. Additionally, the Board has not adopted a written policy regarding public access to district records as required by state law.
Budgetary Procedures and Financial Reporting	The Board does not prepare annual budgets for district funds and does not file timely annual financial reports as required by state law.
Electronic Communication Policy	The district has not developed a records management and retention policy in compliance with the Missouri Secretary of State Records Services Division guidance, as approved by the Missouri Local Records Commission.

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 the Cornland Special Road District

Services Performed By Commissioners	<p>The Board of Commissioners:</p> <ol style="list-style-type: none">1.1 Avoid transactions that represent actual conflicts of interest or apparent conflicts of interest.1.2 Prepare and file 1099 forms with the Internal Revenue Service as required, and file amended 1099 forms for previous years.
Bidding Procedures and Written Agreements	<p>The Board of Commissioners establish formal bidding policies and procedures, solicit bids for goods and periodically solicit proposals for services, and ensure the solicitation for bids and proposals and the evaluation and selection of vendors is documented. In addition, enter into written contracts for services received.</p>
Oversight and Segregation of Duties	<p>The Board of Commissioners segregate accounting duties to the extent possible and implement appropriate reviews and monitoring procedures. In addition, the Board should require dual signatures on all checks.</p>
Sunshine Law	<p>The Board of Commissioners:</p> <ol style="list-style-type: none">4.1 Ensure notices and agendas are provided to advise the public of district meetings, and maintain minutes for all meetings.4.2 Develop a written public access policy for district records.
Budgetary Procedures and Financial Reporting	<p>The Board of Commissioners:</p> <ol style="list-style-type: none">5.1 Prepare annual budgets that contain all information required by state law.5.2 Submit annual financial reports to the State Auditor's Office as required by state law.
Electronic Communication Policy	<p>The Board of Commissioners develop a written records management and retention policy to address electronic communications management and retention to comply with Missouri Secretary of State Records Services Division electronic communications guidelines.</p>