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CITIZENS SUMMARY

Summary of findings in the audit of Stoddard County

County Collector-Treasurer's Controls and Procedures	The County Collector-Treasurer did not properly review Assessment Fund withholdings and commissions calculated by the property tax system to ensure accuracy, and as a result, the County Collector-Treasurer under withheld Assessment Fund fees by \$101,884 and commissions by \$66,516. In November 2021, the property tax system used an understated amount of school district tax collections in the calculations of the Assessment Fund withholding and commissions, causing the majority of these errors. The County Collector-Treasurer also used a flawed calculation template to determine the December 2021 Assessment Fund withholdings adjustment (done to comply with statutory limitations on some withholdings), which inflated the adjustment amount, resulting in \$42,541 being under withheld. In addition, the County Collector-Treasurer does not prepare a monthly list of liabilities, and consequently, liabilities are not agreed to the reconciled bank balance.
Sheltered Facilities Board Contracts	The Sheltered Facilities Board did not ensure written agreements were entered into or renewed with some not-for-profit (NFP) entities it provided funding in recent years.
Electronic Communication Policy	The county has not developed records management and retention policies in compliance with the Missouri Secretary of State Records Services Division guidance, as approved by the Missouri Local Records Commission. This guidance recommends government entities have a policy on electronic messaging, including text messages, email, and other third party platforms.
Electronic Data Security	Password controls, testing of back up data, and security controls need improvement for computers in some county offices. The County Clerk, Public Administrator, and Recorder of Deeds have not established adequate password controls to reduce the risk of unauthorized access to computers and data. The Sheriff and Public Administrator do not perform periodic testing of backup data. Employees in the County Clerk's and Sheriff's offices 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.

In the areas audited, the overall performance of this entity was **Good**.*

*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 Stoddard County

County Collector-Treasurer's
Controls and Procedures

The County Collector-Treasurer:

- 1.1 Work with the property tax system vendor to ensure commissions and fee calculations are correct and review calculations periodically to ensure they are in accordance with state statute. The County Collector-Treasurer should also recalculate all commissions and fees and correct distributions to the various political subdivisions and the county General Revenue and Assessment Funds.
- 1.2 Prepare a monthly list of liabilities and reconcile the list to the available cash balance. Any differences should be promptly investigated and resolved, and any unidentified money disposed of in accordance with state law.

Sheltered Facilities Board
Contracts

The Sheltered Facilities Board enter into written agreements as required by state law.

Electronic Communication
Policy

The County Commission work with the other county officials to 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.

Electronic Data Security

The County Commission work with other county officials to:

- 4.1 Require confidential passwords for each employee that contain a minimum number of characters and are periodically changed to prevent unauthorized access to county computers and data.
- 4.2 Ensure backup data is tested on a regular, predefined basis.
- 4.3 Require county computers to have security controls in place to lock each computer after a specified number of incorrect logon attempts and after a certain period of inactivity.