



Thomas A. Schweich

Missouri State Auditor

Ralls County



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Thomas A. Schweich
Missouri State Auditor

CITIZENS SUMMARY

Findings in the audit of Ralls County

Sheriff Controls and Procedures	The Sheriff's office needs to improve receipting procedures. From July 2010 through November 2010, receipt slips were not issued and the receipt ledger was not updated. The method of payment is not always indicated on receipt slips, the composition of receipts is not reconciled to the composition of deposits, the numerical sequence of receipts slips is not accounted for properly, and checks are not restrictively endorsed immediately. Bond monies are frequently transmitted to the court without going through normal receipt and disbursement procedures. The Sheriff's office did not perform bank reconciliations timely, and did not identify liabilities to be reconciled to the available cash balance. The Sheriff's office did not always disburse fees collected to the County Treasurer timely. The county does not have written contracts with the counties which board its prisoners, and the Sheriff's office does not reconcile the bills received for these services to ensure amounts paid are accurate. The Sheriff's office does not maintain records of accrued mileage fees billed for serving civil papers.
Property Taxes	As noted in our prior audit report, the county needs to improve controls and procedures over the property tax system. Procedures over property tax additions and abatements are not properly segregated or monitored. Neither the County Commission nor the County Clerk reviews the activities of the County Collector to ensure the accuracy and completeness of the County Collector's monthly and annual settlements.
Prosecuting Attorney Compensation	Section 56.070, RSMo, states the Prosecuting Attorney shall represent the county in all matters of law and give his opinion, without a fee, in matters of law in which the county is interested, but the county pays the Prosecuting Attorney \$14,400 annually in additional compensation to consult for the Planning and Zoning Commission.
Payroll	The county does not maintain centralized records of leave balances and leave used and earned, and one employee had accumulated over 70 hours of compensatory in 2010 when county policy only allowed for a maximum of 16. The Sheriff's office does not calculate compensatory time in accordance with county policy and may be paying more compensatory time than required. The Sheriff's office employees' timesheets are not reviewed or approved, which makes it difficult for the county to support payroll disbursements or to demonstrate compliance with the requirements of the Fair Labor Standards Act of 1938.

Vehicle and Fuel Use	The Road and Bridge department does not maintain bulk fuel inventory records or logs of fuel dispensed from the bulk fuel tanks, and does not reconcile fuel use to fuel purchased. The Sheriff's office does not reconcile fuel logs to fuel purchased and does not review mileage for reasonableness.
Capital Assets	As noted in prior audit reports, the county does not adequately account for capital assets. Property records are not complete and accurate, annual physical inventories are not always completed, and the County Clerk lacks procedures to track property purchased during the year.
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**.*

American Recovery and Reinvestment Act (Federal Stimulus)	During the audited time period, Ralls County was awarded a \$14,482 Recovery Act: Edward Byrne Memorial Justice Assistance Grant, all of which it expended on a new patrol car.
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*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.

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Ralls County

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THOMAS A. SCHWEICH

Missouri State Auditor

To the County Commission
and
Officeholders of Ralls County

We have audited certain operations of Ralls County in fulfillment of our duties under Section 29.230, RSMo. In addition, Nichols, Stopp & VanHoy, LLC, Certified Public Accountants, was engaged to audit the financial statements of Ralls County for the 2 years ended December 31, 2010. The scope of our audit included, but was not necessarily limited to, the 2 years ended December 31, 2010. The objectives of our audit were to:

1. Evaluate the county's internal controls over significant management and financial functions.
2. Evaluate the county's compliance with certain legal provisions.
3. Evaluate the economy and efficiency of certain management practices and operations, including certain financial transactions.

Our methodology included reviewing minutes of meetings, written policies and procedures, financial records, and other pertinent documents; interviewing various personnel of the county, as well as certain external parties; and testing selected transactions. We obtained an understanding of internal controls that are significant within the context of the audit objectives and assessed whether such controls have been properly designed and placed in operation. We tested certain of those controls to obtain evidence regarding the effectiveness of their design and operation. We also obtained an understanding of legal provisions that are significant within the context of the audit objectives, and we assessed the risk that illegal acts, including fraud, and violations of contract, grant agreement, or other legal provisions could occur. Based on that risk assessment, we designed and performed procedures to provide reasonable assurance of detecting instances of noncompliance significant to those provisions.

We conducted our audit in accordance with the standards applicable to performance audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform our audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides such a basis.

The accompanying Organization and Statistical Information is presented for informational purposes. This information was obtained from the county's management and was not subjected to the procedures applied in our audit of the county.

For the areas audited, we identified (1) deficiencies in internal controls, (2) noncompliance with legal provisions, and (3) the need for improvement in management practices and procedures. The accompanying Management Advisory Report presents our findings arising from our audit of Ralls County.

A handwritten signature in black ink, reading "Thomas A. Schweich". The signature is fluid and cursive, with the first name "Thomas" and last name "Schweich" clearly legible.

Thomas A. Schweich
State Auditor

The following auditors participated in the preparation of this report:

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Ralls County

Management Advisory Report

State Auditor's Findings

1. Sheriff Controls and Procedures

Controls and procedures in the Sheriff's office need improvement. The Sheriff's office collected civil fees, bonds, and other miscellaneous fees totaling approximately \$54,000 during the 2 years ended December 31, 2010.

1.1 Receipt records

Several weaknesses were noted with receipt procedures in the Sheriff's office. From July 2010 through November 2010, receipt slips were not issued and the receipt ledger was not updated for any monies received. In May 2011, the Sheriff's office, with the help of the County Treasurer, entered these receipts into the Sheriff's records; however, without an immediate record of receipt, it is unclear if all monies received during this time period were deposited. In addition, the method of payment is not always indicated on receipt slips, the composition of receipts is not reconciled to the composition of deposits, the numerical sequence of receipt slips is not accounted for properly, and checks are not restrictively endorsed immediately upon receipt. Furthermore, monies were not always deposited intact. Bond monies received are frequently transmitted to the court without going through normal receipt and disbursement procedures.

To ensure all monies received are deposited and to reduce the risk of loss, theft, or misuse of funds, receipts should be restrictively endorsed immediately upon receipt, receipt slips should be issued for all receipts, and receipt records should be updated on a timely basis. In addition, records should indicate the method of payment, the numerical sequence of receipt slips should be accounted for, and the composition of receipts should be reconciled to the composition of deposits.

1.2 Bank reconciliations and liabilities

Bank reconciliations were not prepared timely for the Sheriff's general bank account. Monthly bank reconciliations for July 2010 through December 2010 were not completed until May 2011. The Sheriff's office discontinued preparing bank reconciliations in July 2010 due to personnel turnover and later enlisted the help of the County Treasurer to complete the outstanding bank reconciliations. In addition, for the same time period, the Sheriff's office did not identify liabilities to be reconciled to the available cash balance. The reconciled bank balance at December 31, 2010, totaled approximately \$7,500. In May 2011, this amount was identified as being owed to the County Treasurer.

The preparation and review of detailed monthly bank reconciliations is necessary to ensure accounting records are in balance and to identify errors in a timely manner. Additionally, liabilities should be identified monthly and reconciled to cash balances to ensure sufficient cash is available for the payment of all amounts due. Any discrepancies should be investigated and appropriate action taken.



Ralls County Management Advisory Report - State Auditor's Findings

1.3 Disbursements

Fees collected by the Sheriff's office were not always disbursed timely. For example, the Sheriff's office collected \$2,372 in December 2010; however, these funds were not disbursed to the County Treasurer until April 29, 2011.

Timely disbursement of fees collected is necessary to provide adequate controls over account balances and increase the likelihood discrepancies are promptly detected. Sections 50.360 and 50.370, RSMo, require all county officials who receive fees or any other remuneration for official services to pay such monies monthly to the County Treasurer.

1.4 Board bills

The Sheriff's office does not reconcile bills received for boarding county prisoners to supporting records to ensure bills are accurate before payment is made. In addition, the county did not enter into written contracts for boarding county prisoners with other political subdivisions. Although the county utilized various other counties for boarding prisoners, the majority of boarding costs were paid to two nearby counties. During the years ended December 31, 2010 and 2009, the Sheriff's office paid approximately \$227,000 and \$288,000 in board bills, respectively.

Without reconciling board bills received to supporting records, there is little assurance the amounts billed and paid are accurate. In addition, Section 432.070, RSMo, states all contracts entered into by the county shall be in writing and shall be signed by each of the parties or their agents. Written contracts are necessary to specify the services to be performed along with the compensation for those services, provide a means for the Sheriff's office to monitor compliance with the contract terms, and protect the county and the Sheriff's office in the event of a dispute over the terms of the agreement.

1.5 Mileage fees

The Sheriff's office does not maintain records of accrued mileage fees billed for serving civil papers. The Sheriff indicated he began mailing out initial bills for mileage fees due; however, a list of amounts billed is not maintained and the Sheriff's office does not have follow-up procedures in place to ensure payment is received. Due to a lack of records, the Sheriff's office is unable to provide an estimate of total costs billed or owed.

Failure to adequately monitor and pursue collection of accrued costs results in lost revenue to the county. To ensure mileage fees for serving civil papers are received by the Sheriff's office, the fees should be billed in a timely manner, amounts paid and due should be tracked, and procedures should be implemented to pursue delinquent amounts.

Recommendations

The Sheriff:

- 1.1 Establish procedures to ensure checks/money orders are restrictively endorsed, receipt slips are issued for all monies upon receipt, and receipt records are updated with complete information in a timely manner. In addition, the Sheriff should account for the numerical



Ralls County Management Advisory Report - State Auditor's Findings

sequence of receipt slips and reconcile the composition of receipts to deposits.

- 1.2 Prepare bank reconciliations monthly and reconcile bank balances to monthly lists of liabilities ensuring any differences between accounting records and reconciliations are investigated and resolved.
- 1.3 Disburse fees to the County Treasurer on a monthly basis.
- 1.4 Enter into written agreements for boarding county prisoners, and review and reconcile amounts billed to supporting records before payment is made.
- 1.5 Establish procedures to monitor and pursue collection of mileage fees billed.

Auditee's Response

The Sheriff provided the following written responses:

- 1.1 *The past administrations had a confusing way of keeping records with the use of two receipt books that were both used for all receipts at one time or another. One of the receipt books was a generic booklet that can be purchased anywhere with very little information on it. A new receipt system was drafted and specially made for this office that had a column for every type of money that would be taken in and total columns on the bottom. A study was done prior to this to achieve the system that would make it easier for anyone to track monies or receipts taken in. The transition time took several months to implement. During that time period all monies were deposited in a timely manner. The records were completed at a later date and are still accurate. The full-time office position was deleted due to budget concerns, and all of the office duties were spread and assigned to all full-time deputies with the assistance of a few part-time deputies. The civil fees were deposited and recorded by one deputy, another was in-charge of CCW records and the end of the month report was completed by me. This method can track funds by case number and also receipt number. On the new receipt forms a space is provided for the method of payment. The bond monies are now deposited in the Sheriff's office account and then sent to the court. Some of the methods that were done in the past were not brought to my attention in past audits and I was not responsible for or never informed of. At the Sheriff's office, we understand that as a general rule in the future more information is requested for checks and balances and a transition time is needed to provide a new system for this improvement. All monies were deposited and accounted for. Overall, the State needs to recognize that Ralls*



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County has made great improvements from the past on the same or less funding and will continue in that direction.

- 1.2 Bank reconciliations have improved since the reconstruction of the office. The bank account not being accurate and being able to zero out each month was another reason for the reconstruction and the request for the assistance of the County Treasurer. The Sheriff's office bank account is a transfer account only and now checks are not written out and disbursed until it is proven and reviewed that fees (CCW, bond, etc.) have been deposited and the correct amount was deposited. There is evidence of the past old system that checks were voided by past personnel because of being made for the incorrect amount.*
- 1.3 The Sheriff's office was behind on some of the fee transfers but has caught up and been current since May 2011. The transfers and records were still accurate and everyone is more familiar and trained on accounting practices.*
- 1.4 The Sheriff's office will work with the County Commission and legal counsel to establish contracts with other counties for holding county prisoners. In addition, prison board bills are checked more closely now. The holding facilities have been asked to fax a daily Ralls County prisoner roster indicating when they were admitted and what the charges are. There has been issues and disputes in the past where the inmates had charges in both counties (meaning Ralls County and the county housing the inmate).*
- 1.5 The Sheriff's office has to my knowledge, in the past, never billed for additional service mileage fees regarding civil process. We have started the process of billing when insufficient mileage fees or no mileage fees are submitted. When this occurs, a numbered invoice is sent back with the return form on civil processes.*

2. Property Taxes

As noted in our prior audit report, controls and procedures over the property tax system need improvement. For the 2 years ended February 28, 2011, property taxes collected by the County Collector totaled approximately \$9 million each year.

2.1 Additions and abatements

Procedures over property tax additions and abatements are not properly segregated or monitored. During the 2 years ended February 28, 2011, property tax additions and abatements totaled approximately \$1.5 million and \$2.4 million, respectively.

The County Assessor prepares court orders for additions and abatements, the County Commission approves the court orders, the County Assessor



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posts additions and real estate abatements to the property tax system, and the County Collector posts personal property abatements to the property tax system. However, the County Collector also collects taxes owed, approvals are only made on a summary basis, and the County Clerk does not reconcile approved court orders to actual changes made to the property tax system. As a result, additions and abatements, which constitute changes to the amount of taxes the County Collector is charged with collecting, are not properly segregated or monitored, and errors or irregularities could go undetected.

Sections 137.260 and 137.270, RSMo, assign responsibility to the County Clerk for making corrections to the tax books with the approval of the County Commission. If it is not feasible for the County Clerk to make corrections to the tax books, periodic reviews and timely approvals of court orders, along with an independent reconciliation of approved additions and abatements to corrections made to the property tax system, would help ensure changes are proper. Without proper segregation of duties and oversight, there is less assurance errors or irregularities would be detected and/or corrected on a timely basis.

2.2 Account book and annual settlements

Neither the County Commission nor the County Clerk reviews the activities of the County Collector. While the County Clerk maintains files of the County Collector's monthly settlements and has access to approved changes to the property tax system, the County Clerk does not use this information to create an account book or other record summarizing property tax transactions and changes. As a result, the County Clerk and the County Commission are unable to ensure the accuracy and completeness of the County Collector's monthly and annual settlements.

Section 51.150.1(2), RSMo, requires the County Clerk to maintain accounts with all persons chargeable with monies payable into the county treasury. An account book or other record which summarizes all taxes charged to the County Collector, monthly collections, delinquent credits, addition and abatements, and protested amounts should be maintained by the County Clerk. Such records would help the County Clerk ensure taxes charged and credited to the County Collector each year are complete and accurate and could also be used by the County Clerk and County Commission to verify the County Collector's monthly and annual settlements. Such procedures are intended to establish checks and balances related to the collection of property taxes.

Recommendations

- 2.1 The County Commission and the County Clerk ensure procedures are adequately segregated and ensure all property tax additions and abatements are properly approved and monitored.
- 2.2 The County Clerk maintain a complete and accurate account book with the County Collector. In addition, the County Commission and



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the County Clerk monitor property tax system activities and perform a thorough review of the County Collector's monthly and annual settlements.

Auditee's Response

The County Commission provided the following written responses:

- 2.1 *The County Commission will meet with the County Assessor and County Collector and ask for their cooperation in this matter.*
- 2.2 *The County Clerk is presently keeping the record. The County Commission will review the records periodically.*

The County Clerk provided the following written responses:

- 2.1 *I will try.*
- 2.2 *We are keeping a record now.*

3. Prosecuting Attorney Compensation

The Prosecuting Attorney received additional compensation for providing consulting services to the county, which is not in compliance with state law. In addition to his salary, the Prosecuting Attorney is paid \$14,400 by the county each year to consult for the Planning and Zoning Commission. According to officials, the Prosecuting Attorney was an outside consultant to the Planning and Zoning Commission prior to being elected to office and continued his consulting services after taking office in 2007. As of December 31, 2011, the county has paid the Prosecuting Attorney \$72,000 for his consulting services since taking office.

Section 56.070, RSMo, states the Prosecuting Attorney shall represent the county in all matters of law and give his opinion, without a fee, in matters of law in which the county is interested. In addition, Attorney General Opinion No. 76, 1961, states a Prosecuting Attorney is not entitled to compensation in addition to the salary he already receives for legal advice given to the county because he is already required by statute to give his opinion on matters of law in which the county is interested.

Recommendation

The County Commission discontinue paying additional compensation to the Prosecuting Attorney.

Auditee's Response

The County Commission provided the following written response:

The County Commission will meet with the Prosecuting Attorney and inform him the last compensation for Planning and Zoning will be May 24, 2012.



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Management Advisory Report - State Auditor's Findings

4. Payroll

Payroll controls and procedures need improvement. Although there is an established written personnel manual, not all policies are followed.

4.1 Centralized records

Centralized records of leave balances and leave used and earned are not maintained. Employees are responsible for recording and tracking their own leave balances. As a result, accumulated leave was not always in compliance with county policies. For example, one employee accumulated over 70 hours of compensatory time in 2010; however, the employee manual only allows a maximum of 16 hours for non-emergency employees. Without centralized leave records, the County Commission cannot ensure employee vacation, sick, and compensatory leave balances are accurate and in compliance with county policy.

4.2 Compensatory time

The Sheriff's office does not calculate compensatory time in accordance with county policy. The Sheriff's office accrues compensatory time when employees work more than 40 hours in a week; however, the county's policy requires employees to work more than 171 hours in a 28 day period before compensatory time is earned. We noted a Sheriff's Deputy earned 45.5 hours of compensatory time from September 2010 through December 2010 based on working more than 40 hours in a week; however, if county policy was followed, compensatory time would not have been earned.

By not following county policy relating to compensatory time, the county may be paying more than required or it could result in a greater financial burden for the county. Although compensatory time is not paid out unless an employee leaves employment, employees are able to use the compensatory time in lieu of accumulated vacation and sick leave.

4.3 Timesheets

Timesheets submitted by employees of the Sheriff's office are not reviewed or approved. The Sheriff indicated another office employee reviews the timesheets; however, that employee indicated she was not performing the reviews. Timesheets are necessary to document hours worked, substantiate payroll disbursements, and provide the county with a method to monitor hours worked and leave taken, and are beneficial in demonstrating compliance with the requirements of the Fair Labor Standards Act of 1938. The Sheriff should review and approve all timesheets to ensure accuracy and include documentation of his approval.

Recommendations

- 4.1 The County Commission maintain centralized leave records for all county employees.
- 4.2 The County Commission and the County Sheriff ensure employees accrue compensatory time in accordance with county policy.
- 4.3 The Sheriff ensure timesheets are reviewed and his approval is adequately documented.



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Management Advisory Report - State Auditor's Findings

Auditee's Response

The County Commission provided the following written response:

4.1&

4.2 *The recommendations were implemented into action in November 2011.*

The Sheriff provided the following written responses:

4.2 *The county policy has been changed and is now the same as any other Missouri employee benefits and rights under the Fair Labor Standards Act. The policy was changed from 171 hours in 28 days to paying overtime for any hour worked over 40 hours a week that is the same as any other type of employment. It was argued that a law enforcement officer should not have to work 11 hours without overtime benefits when any factory worker or office clerk would receive this and not be under the stress of emergency situations. The Sheriff's office now only pays overtime and does not allow compensatory time.*

4.3 *An issue that has been corrected is that in the past, monthly timesheets had the hours of work projected for the last week of the month because the timesheet had to be submitted on or about the third week of the month and paid for the whole month. If the deputy was required to work a few hours overtime for the last several days of the month he had to note this on the following month's timesheet because last month was already processed and paid out on the last Monday or Thursday of the month. We have a three step process for timesheet review. The deputy in charge of timesheets reviews them first for any errors, then I review them and last of all the County Clerk's office reviews them.*

5. Vehicle and Fuel Use

The county has not established effective monitoring procedures for vehicle and fuel use in the Sheriff's office and the Road and Bridge department. Similar concerns were noted in the Sheriff's office in our prior report. The Sheriff's office and the Road and Bridge department spent approximately \$95,000 and \$258,000, respectively, on fuel during the 2 years ended December 31, 2010, for 9 patrol cars and 15 Road and Bridge vehicles and equipment.

- The Road and Bridge department does not maintain bulk fuel inventory records or logs of fuel dispensed from the bulk fuel tanks, and does not reconcile fuel use to fuel purchased. Department employees dispense fuel into department vehicles and equipment from six bulk fuel tanks located throughout the county (one is located at the department shed and five are located at employee homes). These bulk fuel tanks are secured by lock. Although the county was able to produce fuel logs for six



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department vehicles and equipment items, logs were not maintained at the bulk fuel tanks, and the fuel logs maintained were not used to review fuel and vehicle/equipment use.

- The fuel logs maintained in the Sheriff's office are not reconciled to fuel purchased, and mileage is not reviewed for reasonableness. Employees purchase fuel for patrol cars with fuel purchasing cards, and the county receives a monthly statement for these purchases. Although the Sheriff's office maintains fuel logs in each vehicle on which employees enter the date, vehicle odometer reading, and the number of gallons for each fuel purchase, the logs are not reconciled to fuel purchased or used to review mileage for reasonableness.

Maintenance and review of vehicle and equipment mileage/use logs and bulk fuel inventory records, and comparison of log information and inventory records to fuel purchases, are necessary to ensure vehicles and equipment are properly utilized, to prevent paying vendors for improper billing amounts, and to decrease the risk of theft or misuse of fuel occurring without detection. Logs should provide sufficient details so the county can effectively monitor vehicle and equipment fuel costs.

Recommendation

The County Commission and the County Sheriff establish procedures to maintain adequate records to effectively monitor vehicle, equipment, and fuel use. In addition, bulk fuel inventory records should be maintained when applicable, fuel use should be reconciled to fuel purchases, and any significant discrepancies should be investigated.

Auditee's Response

The County Commission provided the following written response:

This was implemented into action as per the Auditor's recommendation with the exception of the Sheriff's vehicles.

The County Sheriff provided the following written response:

County vehicles are used for duty purposes related to Sheriff's office use only including training and maintenance. The fuel is purchased with a card now that requires the odometer reading to be entered and the driver number. The deputy that sends in the bills reviews the usage and checks for fraud. The billing process also has the location of fuel purchase date and time. The Sheriff's office does not have a bulk fuel tank.

6. Capital Assets

As similarly noted in our prior audit report, procedures to account for capital assets need improvement. Property records are not complete and accurate, annual physical inventories are not always completed, and the County Clerk does not have any procedures to track property purchased during the year.



Ralls County Management Advisory Report - State Auditor's Findings

The County Clerk is responsible for maintaining overall county capital asset records, and each department is responsible for performing annual physical inventories and submitting updated asset lists to the County Clerk. Annually, the County Clerk sends each department a memo requesting updated inventory lists; however, lists are not always received from the departments, and the information provided by the departments is not always updated correctly in the overall capital asset records. The Sheriff, Recorder, Prosecuting Attorney, Commission, and Road and Bridge departments did not submit the required inventory lists during 2010, and the County Clerk failed to update the overall capital asset list with the inventory list received from the County Treasurer. In addition, asset lists do not include sufficient details to identify additions; acquisition dates or source; property values; deletions; and method, authorization, and amount received for dispositions.

Furthermore, the County Clerk does not have procedures to track property purchased throughout the year and compare to inventory lists submitted by the various departments. The County Clerk's office issues several property tags to the county departments at one time to be affixed to newly acquired property. However, the County Clerk's office has no way of knowing which tags were used and should be added to the inventory list.

Section 49.093, RSMo, requires counties to account for personal property costing \$1,000 or more, assigns responsibilities to each county department officer, and describes details to be provided in the inventory records. Adequate county property records and procedures are necessary to ensure effective internal controls, meet statutory requirements, and provide a basis for determining proper insurance coverage. These records should be updated for any property additions and approved dispositions as they occur. Physical inventories, proper tagging of county property items, and periodic comparisons of inventories to overall county property records are necessary to evaluate the accuracy of the records, and deter and detect theft.

Recommendation

The County Commission and County Clerk work with other county officials to ensure complete and accurate inventory records are maintained and annual physical inventories are conducted, and implement procedures for tracking and tagging capital assets purchased throughout the year.

Auditee's Response

The County Commission provided the following written response:

The County Commission will send out inventory sheets to the other elected officials' offices to be completed, returned, and kept by the County Clerk.

The County Clerk provided the following written response:

I will try to keep better records of the inventory in other offices. Most of the offices give their inventory now.

Ralls County

Organization and Statistical Information

Ralls County is a county-organized, third-class county. The county seat is New London.

Ralls County's government is composed of a three-member county commission and separate elected officials performing various tasks. All elected officials serve 4-year terms. The county commission has mainly administrative duties in setting tax levies, appropriating county funds, appointing board members and trustees of special services, accounting for county property, maintaining county roads and bridges, and performing miscellaneous duties not handled by other county officials. Principal functions of these other officials relate to law enforcement, property assessment, property tax collections, conduct of elections, and maintenance of financial and other records important to the county's citizens. The county employed 46 full-time employees and 25 part-time employees on December 31, 2010.

Elected Officials

The elected officials and their compensation paid for the year ended December 31 (except as noted) are indicated below:

Officeholder	2011	2010
George E. Lane, Presiding Commissioner	\$	29,060
R.C. Harlow, Associate Commissioner		27,060
Steven H. Whitaker, Associate Commissioner		27,060
Gina Jameson, Circuit Clerk and Ex Officio Recorder of Deeds (1)		
Ernie Duckworth, County Clerk		40,000
Rodney J. Rodenbaugh, Prosecuting Attorney		47,000
Paul Forney, Sheriff		45,000
Jena L. Epperson, County Treasurer		40,000
Connie Miller, Public Administrator		41,000
Connie L. Berry, County Collector, year ended February 28,	40,000	
Thomas E. Ruhl, County Assessor , year ended August 31,		41,000

(1) Compensation is paid by the state.

American Recovery and Reinvestment Act 2009 (Federal Stimulus)

According to county personnel, the county was awarded the following American Recovery and Reinvestment Act of 2009 funding during the 2 years ended December 31, 2010:

A Recovery Act: Edward Byrne Memorial Justice Assistance Grant was awarded by the U.S. Department of Justice to the county in the amount of \$14,482. In July 2010, the county received and expended the entire \$14,482 for the purchase of a new patrol car.