



Thomas A. Schweich

Missouri State Auditor

Ripley County



June 2012

Report No. 2012-53

<http://auditor.mo.gov>



Thomas A. Schweich
Missouri State Auditor

CITIZENS SUMMARY

Findings in the audit of Ripley County

Property Tax System Controls and Procedures	The County Commission and County Clerk do not adequately review property tax system changes and activity. Although the County Collector has the ability to post additions and abatements to the property tax system, neither the County Commission nor the County Clerk reviews and approves the additions and abatements so errors or irregularities could go undetected. The method of payment is not always recorded on paid tax statements, and the composition of receipts is not reconciled to the composition of deposits. Employees of the County Collector and the County Assessor are not required to change their passwords periodically for the property tax computer system, and the property tax computer system does not have security controls to detect or prevent unlimited incorrect log-on attempts. The County Collector prepares backups for the property tax computer system, but backups are not periodically tested to ensure essential information can be recovered in the event of a disaster or computer failure.
Public Administrator	The former Public Administrator did not always file annual settlements in a timely manner as required by statute. Five annual settlements for 12 cases reviewed were filed between 1 to 8 months after the due date. The former Public Administrator did not always pay bills in a timely manner, and one ward was assessed \$60 in late charges. The former Public Administrator did not retain supporting documentation for some disbursements, and one case file did not contain a closing statement or appraisal documentation to support the \$52,836 sale of real estate.
Prosecuting Attorney	Prior audit reports have identified inadequacies in the Prosecuting Attorney's office procedures, and significant weaknesses still exist. One clerk is primarily responsible for receiving, recording, depositing and disbursing monies and reconciling the bank account and a documented supervisory review is not performed. The Prosecuting Attorney's office does not always issue receipt slips for monies received in the mail, indicate the actual date of receipt on the receipt slip, issue receipt slips in numerical order, or account for receipt slips properly. Receipts are not always deposited intact and in a timely manner and are not reconciled to deposits. An October 2011 deposit did not include \$493 in monies already received, although some monies receipted after this were included with the deposit. Our review of 26 bad check fees collected by the Prosecuting Attorney's office found 3 of the fees assessed were more than the amount established by Section 570.120, RSMo.
Sheriff	One clerk in the Sheriff's office is responsible for receiving, recording, depositing, and disbursing monies and reconciling the bank accounts without independent or supervisory review. The Sheriff's office does not always issue receipt slips and does not account for the numerical sequence of receipt slips to help ensure monies are recorded and accounted for properly. The seized property log was incomplete and inaccurate, and the

Sheriff's office has not conducted a physical inventory of all seized property or implemented procedures to review cases periodically and dispose of seized property items when appropriate.

Capital Assets and Vehicles	As noted in our prior audit report, the county does not adequately account for county property. The overall capital asset records have not been updated since 1999, annual inventory reports are not always submitted and are not always complete and accurate, and capital assets are not always identified as county property. The Road and Bridge department does not maintain bulk fuel inventory records or logs of fuel dispensed and does not reconcile fuel use to fuel purchased. Although the Sheriff's department maintains mileage and fuel use logs for vehicles, the logs are not reconciled to fuel purchased.
Leave Policies and Procedures	The county personnel policy is unclear about when vacation and sick leave is accrued by county employees, and employees are allowed to take vacation and sick leave before it is posted, resulting in negative balances.
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, Ripley County was awarded a \$42,819 Recovery Act: Homelessness Prevention and Rapid Re-housing grant which was passed through to the Ripley County Family Resource Center to help those in need of temporary assistance obtain and retain housing.
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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.

All reports are available on our website: <http://auditor.mo.gov>

Ripley County

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THOMAS A. SCHWEICH

Missouri State Auditor

To the County Commission
and
Officeholders of Ripley County

We have audited certain operations of Ripley County in fulfillment of our duties under Section 29.230, RSMo. In addition, Cook & Hamlin, LLC, Certified Public Accountants, was engaged to audit the financial statements of Ripley 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, 2011. 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 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 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 control, (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 Ripley 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:

Deputy State Auditor:	Harry J. Otto, CPA
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Ripley County

Management Advisory Report

State Auditor's Findings

1. Property Tax System Controls and Procedures

Controls and procedures over the property tax system need improvement. The County Collector's accounting procedures are not sufficient and do not provide assurance that monies collected are accounted for properly. In addition, controls over the property tax computer system are not adequate to prevent unauthorized access. The County Collector's office processed collections totaling approximately \$4 million annually during the 2 years ended February 28, 2012.

1.1 Changes and reconciliations

The County Commission and County Clerk are not adequately reviewing property tax system changes and activity. The County Assessor prepares and posts additions and abatements to the property tax system. The County Collector also has the ability to post additions and abatements to the property tax system. At the end of each month, the County Collector prints the property tax additions and abatements report. However, neither the County Commission nor the County Clerk reviews and approves the additions and abatements, and no comparison to the County Assessor's supporting documentation is performed. As a result, additions and abatements, which constitute changes to the amount of taxes the County Collector is charged with collecting, are not properly monitored and errors or irregularities could go undetected. In addition, the County Clerk does not retain documentation of her monthly review of the County Collector's records. As a result, there is no support to show the original property tax charges and monthly balances due are correct.

Sections 137.260 and 137.270, RSMo, assign responsibility to the County Clerk for making changes to the tax books with the approval of the County Commission. An independent review of approved additions and abatements to changes made to the property tax system would help ensure changes to the property tax system records are proper. To demonstrate compliance with Section 51.150.1(2), RSMo, which requires the County Clerk to maintain accounts with all persons chargeable with monies payable into the county treasury, the County Clerk should retain all reconciliation records.

1.2 Method of payment

Although it is office procedure to record the method of payment on paid tax statements, it is not always recorded. In addition, the composition of receipts is not reconciled to the composition of deposits.

To ensure all monies are accounted for and deposited properly, the method of payment should be indicated on all paid tax statements, and the composition of receipts should be reconciled to the composition of bank deposits.

A similar condition was noted in our prior audit report.

1.3 Passwords

Employees in the offices of County Collector and County Assessor are not required to periodically change their passwords for the property tax



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computer system. Passwords are only changed in these offices when there is a new official or computer issues.

The lack of an effective system of passwords may allow unauthorized access and/or changes to the system. Requiring passwords to be periodically changed provides more assurance that passwords will effectively limit access to only those individuals who need access for completion of job responsibilities and reduce the possibility of unauthorized users.

1.4 Log-on attempts

The property tax computer system does not have security controls in place to detect or prevent incorrect log-on attempts. An unauthorized individual could try an unlimited number of times to log on the system and, if successful, have unrestricted access to programs and data files. In addition, the computers are not shut down or locked after a certain period of inactivity.

To help protect computer files, security controls should be implemented to detect incorrect log-on attempts after a certain number of tries and lock computers after a certain period of inactivity. Such controls should produce a log of the incorrect attempts which should be reviewed periodically by an authorized official.

1.5 Backups

Backup data is not tested to help prevent loss of information and ensure all essential county information and computer systems can be recovered following a disaster or computer failure. While backups are prepared by the County Collector for the property tax computer system, the backups are not periodically tested.

Periodic testing of backup data ensures it is adequate and provides increased assurance data could be recreated if necessary.

Recommendations

- 1.1 The County Commission and the County Clerk develop procedures to ensure all property tax additions and abatements are properly approved and monitored. The County Commission should also ensure the County Collector does not have access to post additions and abatements to the property tax system. In addition, the County Clerk should retain all documentation of monthly reconciliations.
- 1.2 The County Collector indicate the method of payment on all paid tax statements and reconcile the composition of receipts to the composition of deposits. Any differences should be investigated and resolved.
- 1.3 The County Collector and County Assessor require all employees to periodically change passwords.



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- 1.4 The County Collector and County Assessor establish security controls to detect and report incorrect log-on attempts after a certain number of tries and lock or shut down computers after a certain period of inactivity.
- 1.5 The County Collector ensure backup data is tested on a regular, predefined basis.

Auditee's Response

The County Clerk provided the following written response:

- 1.1 *I retain all reports of additions, increases, abatements, statement of collections, court orders and delinquent tax reports and I reconcile the reports on a monthly basis against each prior report and the original tax collection report, noting the date of reconciliation on the report; I do not keep the calculator tape of the calculations. I now prepare an excel spreadsheet of the collections, duplicating the data entry however having formulas for calculation, as suggested by the auditors.*

I can only monitor data regarding the additions, increases and abatements if presented to my office or to the County Commission for approval. While I do receive reports from the County Collector, the Assessor has not been presenting the changes in assessed valuation to the County Commission. The Assessor and I have discussed this matter, and she has agreed to commence presenting the changes in assessed valuation on a monthly basis thereby assisting in ensuring the property tax system can be monitored.

The County Commission provided the following response:

- 1.1 *We will review additions and abatements for reasonableness. We will also inquire whether the County Collector has access to enter additions and abatements.*

The County Collector provided the following responses:

- 1.2 *When the new computer system is implemented, the method of payment will be indicated and reconciled to the composition of deposits.*
- 1.3 *The passwords will be changed when the new computer system is implemented. I will look into periodically changing passwords in the future.*
- 1.4 *With the new computer system, a security system will be put in place for log-on attempts.*



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1.5 *With the new computer system, the computer company will perform backups.*

The Assessor provided the following responses:

1.1 *I will ensure the County Clerk receives additions and abatements on a monthly basis.*

1.3 *When the new computer system is installed, passwords will be changed periodically.*

1.4 *When the new computer system is installed, a security system will be put in place for log-on attempts. The Assessor's office keeps their computer software in inquiry mode unless changes are being made.*

2. Public Administrator

Procedures for filing annual settlements are not adequate. The former Public Administrator did not always pay bills on a timely basis and late fees were sometimes paid. The Public Administrator is the court appointed personal representative for wards and decedent estates of the Associate Circuit Court, Probate Division, and handled the financial activities of 12 individuals during the 2 years ended December 31, 2011.

2.1 Annual settlements

The former Public Administrator did not always file annual settlements in a timely manner. For each ward, the Public Administrator is required to file an annual settlement with the court which reflects a detailed list of assets held as well as financial activity for the year. We reviewed the annual settlements filed which were due in 2010 or 2011 for the 12 cases. Five settlements were filed between 1 to 8 months after the due date.

Section 473.540, RSMo, requires the Public Administrator to file with the court an annual settlement for each ward on the anniversary of the date of becoming the personal representative.

2.2 Disbursements

The former Public Administrator did not always pay bills in a timely manner. Even though some funds were available, bills for three wards were not paid timely by the former Public Administrator. For example, a December 31, 2011 nursing home bill totaling \$9,514 included charges for several months with some older than April 2011. Due to bills not being paid in a timely manner, one ward was assessed late charges for multiple bills from three vendors totaling \$60.

The Public Administrator should pay all bills timely to avoid unnecessary late fees and reflect an accurate balance of funds available.

2.3 Supporting documentation

The former Public Administrator did not retain supporting documentation in the case files for some disbursements. The current Public Administrator was



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able to obtain some invoices from other sources at our request. In addition, the former Public Administrator did not have supporting documentation for the sale of real estate. Proceeds from the sale of real estate totaling \$52,836 were reported on one annual settlement; however, the current Public Administrator could not locate the closing statement or appraisal documentation to support the real estate sale.

Record retention is necessary to ensure the validity of transactions and provide an audit trail. Section 109.270, RSMo, states all records made or received by officials in the course of their public duties are public property and are not to be disposed of except as provided by law.

Recommendations

The Public Administrator:

- 2.1 File annual settlements on a timely basis.
- 2.2 Pay all bills when due.
- 2.3 Ensure adequate supporting documentation is retained.

Auditee's Response

The current Public Administrator provided the following written responses:

- 2.1 *I have started filing annual settlements on time.*
- 2.2 *I have been paying bills when due, if money is available.*
- 2.3 *I keep supporting documentation on all case files.*

3. Prosecuting Attorney

Prior audit reports have addressed the inadequacy of the Prosecuting Attorney's office procedures. Although some improvements have been made, significant weaknesses still exist. The Prosecuting Attorney's office collected various fees related to bad checks and restitution totaling approximately \$96,000 annually during the 2 years ended December 31, 2011.

3.1 Segregation of duties

The duties of receiving, recording, depositing, and disbursing monies, and reconciling the bank account are not adequately segregated. One clerk is primarily responsible for all of these duties, and a documented supervisory review of the accounting records is not performed. As a result, there is less assurance all transactions are accounted for properly and accounting records are complete and accurate.

Proper segregation of duties is necessary to ensure all transactions are accounted for properly and assets are adequately safeguarded. If proper segregation of duties cannot be achieved, the Prosecuting Attorney should



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implement a documented independent or supervisory review to ensure bank records are in agreement with accounting records.

3.2 Receipts

The Prosecuting Attorney's office does not always issue receipt slips for monies received in the mail, and as a result, there is no overall record of receipts. Also, the actual date of receipt is not always indicated on the receipt slips. In addition, the Prosecuting Attorney's office does not always issue receipt slips in numerical order or account for them properly.

To ensure all monies collected are accounted for properly, the office should issue prenumbered receipt slips in sequential order using the actual receipt date for all monies received and account for the numerical sequence of receipt slips.

3.3 Deposits

Receipts are not always deposited intact and in a timely manner, and are not reconciled to deposits. For example, a \$2,150 deposit made on October 12, 2011, did not include \$493 receipted on October 7, 2011, although monies receipted on October 11, 2011, were included with the deposit. In addition, the Prosecuting Attorney's office only made one deposit in November 2011, totaling \$3,017 and one deposit in December 2011, totaling \$1,366.

To adequately safeguard receipts and reduce the risk of loss, theft, or misuse of funds, receipts should be deposited intact and in a timely manner. Receipts should also be reconciled to deposits before deposits are made.

3.4 Bad check fees

The Prosecuting Attorney's office collects bad check fees which are not calculated consistently and do not always comply with state law. During our review of 26 bad check fees, we noted 3 cases with bad check fees more than the amount established by state law. The Prosecuting Attorney's clerk indicated the computer program does not calculate bad check fees correctly.

Section 570.120, RSMo, states the various fees allowed for bad checks.

Similar conditions previously reported

Similar conditions to sections 3.1, 3.2, and 3.3 were noted in our prior audit report.

Recommendations

The Prosecuting Attorney:

- 3.1 Adequately segregate accounting duties to the extent possible or ensure supervisory reviews of accounting records are performed and documented.
- 3.2 Require prenumbered receipt slips be issued for all monies received and all receipt slips be dated properly. In addition, the Prosecuting



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Attorney should ensure the numerical sequence of receipt slips is accounted for properly.

3.3 Ensure receipts are deposited intact on a timely basis and reconciled to deposits.

3.4 Ensure bad check fees comply with state law.

Auditee's Response

The Prosecuting Attorney provided the following responses:

3.1 *We do not have enough staff to properly segregate duties. The budget of \$86,000 per year is too small. Starting in May 2012, one clerk prepares the deposits and the monthly report. Another clerk takes the deposits to the bank, prepares the bank reconciliation, and reviews the monthly report.*

3.2 *Starting in April 2012, prenumbered receipt slips are written for every transaction and dated when received.*

3.3 *Starting in April 2012, deposits are made weekly and money orders are kept in a locked box until deposited. Receipts are reconciled to deposits to ensure everything is included.*

3.4 *We are using a dinosaur system (Lotus 97). The Karpel computerized accounting system would fix this situation. However, the county is unwilling to provide the funding for Karpel.*

4. Sheriff

Sheriff's office accounting procedures are not sufficient and do not provide assurance that monies collected are accounted for properly. In addition, controls over seized property are not adequate. The Sheriff's office collected various fees related to civil services, mileage, and concealed carry permits totaling approximately \$29,000 annually during the 2 years ended December 31, 2011.

4.1 Segregation of duties

The duties of receiving, recording, depositing, and disbursing monies, and reconciling the bank account are not adequately segregated. One clerk is primarily responsible for all of these duties. Although the Sheriff signs the monthly turnover report to the Treasurer, he indicated he does not review the accuracy of the accounting records. As a result, there is less assurance all transactions are accounted for properly and accounting records are complete and accurate.

Proper segregation of duties is necessary to ensure all transactions are accounted for properly and assets are adequately safeguarded. If proper segregation of duties cannot be achieved, the Sheriff should implement a



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documented independent or supervisory review to ensure bank records are in agreement with accounting records.

4.2 Receipts

The Sheriff's office issues pre-numbered receipt slips for cash receipts and for non-cash receipts when requested by an individual; however, the receipt number is not indicated on the receipt log. All other receipts are recorded on the receipt log; however, receipt slips are not issued. As a result, the Sheriff's office is unable to account for the numerical sequence of receipt slips.

To ensure monies are recorded and accounted for properly, official prenumbered receipt slips should be issued for all monies received with all receipt slip numbers accounted for properly.

4.3 Seized property

The seized property and evidence log is not complete or accurate. The log includes items which have been returned to individuals and does not include approximately 25 items seized prior to starting the log in 2003. In addition, the Sheriff's office has not conducted a physical inventory of all seized property. Further, the Sheriff's office has not implemented procedures to periodically review cases and dispose of related seized property items which date back to the 1990s.

Considering the often sensitive nature of the seized property, adequate internal controls are essential and would significantly reduce the risk of theft or misuse of the stored items. Complete and accurate inventory control records should be maintained and periodic physical inventories should be performed and the results compared to the inventory records to ensure seized property is accounted for properly. In addition, proper disposal of such items would eliminate the significant risks of unauthorized access, use, or theft, and the related potential liability of the county for such possible improper access or use.

Recommendations

The Sheriff:

- 4.1 Adequately segregate accounting duties to the extent possible or ensure supervisory reviews of accounting records are performed and documented.
- 4.2 Ensure prenumbered receipt slips are issued for all monies received and the numerical sequence of receipt slips is accounted for properly.
- 4.3 Ensure the inventory control log is complete and accurate. A periodic inventory should be taken and reconciled to the log. In addition, the Sheriff should develop procedures to periodically review cases and dispose of related seized property.



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Auditee's Response

The Sheriff provided the following responses:

- 4.1 *I have started reviewing the accounting records and documenting the review.*
- 4.2 *A pre-numbered receipt book is now being used for all receipts. I will also ensure the numerical sequence of receipt slips is accounted for on a monthly basis.*
- 4.3 *I plan to maintain a complete inventory control log and dispose of applicable seized property by December 2012. I will also ensure annual inventories are taken of seized property.*

5. Capital Assets and Vehicles

Capital asset and vehicle records are in need of improvement. At December 31, 2011, county property, excluding buildings and vehicles, was valued at approximately \$1.2 million on the county insurance policy.

5.1 Capital assets

As noted in our prior audit report, procedures and records to account for county property are not adequate. The County Clerk does not regularly update capital asset records for property purchases and dispositions throughout the year. In addition, capital assets are not always numbered, tagged, or otherwise identified as county property.

The County Clerk indicated the overall property records have not been updated since the capital assets statute was changed in 1999. Each department is responsible for performing annual physical inventories and submitting inventory reports to the County Clerk. The County Clerk did not receive the requested annual inventory reports from the Sheriff and County Collector in 2011 and 2010, and she did not perform any follow up to obtain the reports. The inventory reports submitted by other officials lacked some necessary information such as tag numbers, purchase dates, acquisition costs, serial numbers, and disposal information.

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.

5.2 Vehicle and fuel use

The county has not established effective monitoring procedures for vehicle and fuel use in the Road and Bridge department and the Sheriff's office. The Road and Bridge department and the Sheriff's office spent approximately



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\$158,000 and \$70,000, respectively, on fuel during the 2 years ended December 31, 2011, for the use of 29 Road and Bridge vehicles and equipment and 10 patrol cars.

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. Although the Sheriff's department maintains mileage and fuel use logs for vehicles, these logs are not used to reconcile to fuel purchased. Employees dispense fuel into Road and Bridge department vehicles from three bulk fuel tanks located at employees' homes throughout the county and patrol cars from one bulk fuel tank located by the Sheriff's office. These bulk fuel tanks are secured by lock.

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 use and fuel costs.

Similar conditions
previously reported

Similar conditions to sections 5.1 and 5.2 were noted in our prior audit report.

Recommendations

The County Commission:

- 5.1 And the County Clerk work with other county officials to ensure complete and accurate inventory records are maintained and annual physical inventories are conducted, and implement a procedure for tracking and tagging capital asset purchases throughout the year.
- 5.2 Work with the Sheriff to establish procedures to maintain adequate records to effectively monitor vehicle, equipment, and fuel use. In addition, bulk fuel inventory records should be maintained, fuel use should be reconciled to fuel purchases, and any significant discrepancies should be investigated.

Auditee's Response

The County Clerk provided the following written response:

- 5.1 *I agree, as cited by the Auditors, Section 49.093 RSMo requires each third class county officer, by October 10th of each year, to inspect and inventory all personal property of an individual original value of \$1,000 or more belonging to the county and used by that department, and to issue a report, signed by the County Clerk, to the County Commission. The County Commission and I attempt to*



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be proactive in assisting the officeholders in performing this duty by issuing a memorandum in September each year reminding them of the specific statute, the date by which the task is to be performed, instructions for placement of identification on the property, and reminding them that not only is this required by law but it is also helpful for documentation for insurance purposes.

Each officeholder is an elected official responsible for the management and operations of his/her office. I have prepared an asset inventory report for each of the 18 years I have been in office. I have no individual control over whether or not other officeholders prepare and submit asset inventory reports; I feel any adverse findings should be directed to those specific officeholders.

The County Commission provided the following responses:

- 5.1 *We agree with the response provided by the County Clerk.*
- 5.2 *The Road and Bridge department only has diesel fuel used for graders and tractors. The County Commission will look into maintaining logs for road and bridge bulk fuel tanks. The County Commission will periodically require the Sheriff to submit documentation for bulk fuel inventory records.*

The Sheriff provided the following responses:

- 5.1 *I will turn in an inventory report by December 2012.*
- 5.2 *I have started maintaining bulk fuel inventory records.*

The County Collector provided the following response:

- 5.1 *I will look into submitting an annual inventory report.*

6. Leave Policies and Procedures

The county personnel policy is unclear about when vacation and sick leave is accrued by county employees. The County Clerk posts vacation leave to leave records on each employee's anniversary date (after the year has been worked); however, employees are allowed to take leave as though it was accrued on a monthly basis. As a result, negative leave balances were reported on the leave records for four of the Sheriff's office and Road and Bridge employees. One employee's vacation leave balance was reflected as a negative 63 hours although it would have been a positive 80 hours if the leave had been posted to the records on a monthly basis.

Sick leave for the entire year is posted to the leave records at the beginning of each fiscal year; however, the county considers sick leave to accrue on a



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monthly basis. If an employee uses sick leave before it has been earned and terminates employment with the county, the County Clerk determines the amount of sick leave earned on a monthly basis and reduces the final paycheck for the amount overpaid.

The County Commission should revise the personnel policy manual to clearly indicate the county's procedures for accruing vacation and sick leave. To ensure employees receive leave benefits only as allowed by policy, leave should be posted to leave records as it is accrued and employees should not be allowed to carry negative leave balances.

Recommendation

The County Commission revise the personnel policy manual to adequately document policies and ensure leave is accrued in accordance with these policies.

Auditee's Response

The County Commission provided the following response:

We concur. We will review policies and procedures for leave.

Ripley County

Organization and Statistical Information

Ripley County is a county-organized, third-class county. The county seat is Doniphan.

Ripley 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 43 full-time employees and 2 part-time employees on December 31, 2011.

In addition, county operations include the Senate Bill 40 Board, Senior Citizen Board, and Law Enforcement Restitution Board.

Elected Officials

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

Officeholder	2012	2011
William D. Kennon Jr., Presiding Commissioner	\$	27,186
David (Earl) Johnson, Associate Commissioner		25,186
Jerry Halley, Associate Commissioner		25,186
June Watson, Recorder of Deeds		38,160
Becky York, County Clerk		38,160
Monte Phillips, Prosecuting Attorney		45,580
Ron Barnett, Sheriff		42,400
Terry L. Slayton, County Treasurer		38,160
Mike Jackson, County Coroner		10,600
John Young, Public Administrator (1)		1,104
Brenda Emmons-Thompson, Public Administrator (1)		20,979
Jerry Martin, County Collector (2), year ended February 28 (29),	41,819	
Jan Spencer, County Assessor , year ended August 31,		36,040
William (Troy) Ayers, County Surveyor (3)		

(1) Brenda Emmons-Thompson resigned in October 2011. John Young was appointed by the Governor in December 2011.

(2) Includes \$3,659 of commissions earned for collecting city and drainage property taxes.

(3) Compensation on a fee basis.



Ripley County
Organization and Statistical Information

American Recovery and
Reinvestment Act 2009
(Federal Stimulus)(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, 2011:

A \$42,819 Recovery Act: Homelessness Prevention and Rapid Re-housing grant was awarded by the U.S. Department of Housing and Urban Development to the Missouri Department of Social Services to help families and individuals who are at risk of becoming homeless and those experiencing homelessness who need temporary assistance obtaining and retaining housing. The county passed these monies through to Ripley County Family Resource Center.