



# Thomas A. Schweich

Missouri State Auditor

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## Pike County



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June 2013

Report No. 2013-049

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<http://auditor.mo.gov>



# CITIZENS SUMMARY

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## Findings in the audit of Pike County

Sales Tax Rollback	Property tax reductions were not sufficient to offset 50 percent of sales tax monies, and property tax reduction amounts were not accurately calculated. Section 67.505, RSMo, requires the county to reduce property taxes for a percentage of sales taxes collected. At December 31, 2012, the insufficient reduction totaled approximately \$77,900. Additional or increased property tax levy rollbacks will be required in future years to offset this liability.
Property Tax System Controls and Procedures	As noted in our prior report, the County Clerk does not maintain an account book with the County Collector, as required by state law. Therefore, the County Clerk and County Commission do not have information readily available and do not adequately review the annual settlements, and errors and irregularities could go undetected.
Capital Assets and Vehicles	Procedures have not been developed to identify capital asset purchases and dispositions throughout the year, and physical inventories were not performed in 2012. The county maintains logs of fuel dispensed from bulk fuel tanks, but these logs are not used to reconcile to fuel purchased and are not reviewed by a supervisor for reasonableness. Two road and bridge supervisors are allowed to use county vehicles to commute to and from home daily but do not complete vehicle logs and the personal commuting use is not reported to the Internal Revenue Service as required.
Payroll	The county does not compensate law enforcement personnel in accordance with county policy. The county's policy provides that law enforcement personnel accrue compensatory leave at time and a half for any time worked over 171 hours during a 28 consecutive day period, but the county provided compensatory leave at time and a half to law enforcement personnel who worked more than 80 hours in a two week period and gave an hour of compensatory leave for each hour worked in excess of scheduled hours. The County Clerk's office does not adequately review timesheets and vacation and sick leave records, so some errors were not detected.
Public Administrator	Annual settlements are not filed in a timely manner as required by state law. The Public Administrator has not filed an annual settlement for two cases since 2008 and has not filed a settlement for another case since 2009. One settlement prepared for the period December 2009 through January 2013 had not been finalized and filed with the court as of April 2013, because discrepancies were identified. The settlement did not include two disbursements totaling \$16,410 and did not reflect some income earned. The Public Administrator has not filed a final settlement for one 2008 case for a deceased ward. The estate's assets have not been distributed to the ward's heirs, and the estate continues to accrue storage costs for the estate's property.

Sheriff	Receipt slips are not issued for some monies received, which increases the risk of loss or misuse. The Sheriff does not turn over profits from commissary sales to the county treasury, as required by state law, and uses these monies to purchase items for the prisoners and the Sheriff's department. As noted in our prior report, procedures are not in place to ensure month-end liabilities are reconciled to the inmate bank balance, and the reconciliation done at our request revealed an unidentified difference of \$335.
Prosecuting Attorney	The Prosecuting Attorney does not adequately monitor court ordered restitution due from defendants. The restitution clerk periodically reviews the files, but a complete list of accounts receivable is not maintained. Uncollectable accounts are adjusted to zero with a write-off, but adjustments are not formally approved by a person independent of the transaction postings and supporting documentation is not always maintained.
Sunshine Law	The county has not adopted a policy regarding public access to county records, as required by Section 610.023, RSMo.
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)	Pike County did not receive any federal stimulus monies during the audited time period.
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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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# **THOMAS A. SCHWEICH**

## **Missouri State Auditor**

To the County Commission  
and  
Officeholders of Pike County

We have audited certain operations of Pike County in fulfillment of our duties under Section 29.230, RSMo. In addition, Casey-Beard-Boehmer PC, Certified Public Accountants, has been engaged to audit the financial statements of Pike County for the year ended December 31, 2012. The scope of our audit included, but was not necessarily limited to, the year ended December 31, 2012. 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 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 Pike 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
Director of Audits:	Randall Gordon, M.Acct., CPA, CGAP
Audit Manager:	Jeannette Eaves, CPA
In-Charge Auditor:	Nathaniel Fast, M.Acct., CPA, CFE
Audit Staff:	Morgan Alexander Rachelle Thompson

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# Pike County

## Management Advisory Report

### State Auditor's Findings

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#### 1. Sales Tax Rollback

Property tax reductions were not sufficient to offset 50 percent of sales tax monies received by approximately \$77,900 at December 31, 2012, and property tax reduction amounts were not accurately calculated. During 2012, a rollback calculation was not performed by the county. Additional or increased property tax levy rollbacks will be required in future years to offset this liability. The county has not adopted adequate procedures to monitor or assess the results of the actual tax rollbacks, and has not adequately considered the excess tax collections from prior years when computing the current year's rollback. The following table presents the cumulative liability resulting from the insufficient sales tax reductions.

		Year Ended December 31,		
		2012	2011	2010
Required property tax revenue reduction	\$	376,468	366,122	344,609
Actual property tax revenue reduction		342,887	329,253	336,723
Amount not sufficiently reduced		33,581	36,869	7,886
Prior years under/(over) reduction		44,316	7,447	(439)
Total insufficient property tax revenue reduction	\$	77,897	44,316	7,447

Section 67.505, RSMo, requires the county to reduce property taxes for a percentage of sales taxes collected. Pike County voters enacted a one-half cent sales tax with a provision to reduce property taxes by 50 percent of sales taxes collected. The county is required to estimate the annual property tax levy to meet a 50 percent reduction requirement and in the following year calculate any excess property taxes collected based upon actual sales tax collection. The county is required to certify to the State Auditor's office the annual property tax levy including the amount the levy is required to be reduced for sales tax collections.

#### Recommendation

The County Commission and County Clerk adequately reduce property tax levies for 50 percent of sales tax revenue, and develop a plan to correct for the accumulation of prior years' insufficient property tax levy reductions.

#### Auditee's Response

*The County Commission and County Clerk provided the following response:*

*We will look into this and develop a plan to implement this recommendation.*



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Management Advisory Report - State Auditor's Findings

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## 2. Property Tax System Controls and Procedures

As noted in our prior report, the County Clerk does not maintain an account book with the County Collector. The County Collector's office processed property taxes totaling approximately \$15.6 million for the year ended February 28, 2013.

While the former County Clerk maintained files of tax charges, additions and abatements, and the County Collector's monthly settlements, the County Clerk did not use this information to create an account book or other record summarizing property tax transactions and changes. Therefore, the County Clerk and County Commission do not have information readily available, and do not adequately review the annual settlements prepared by the County Collector. As a result, errors and irregularities could go undetected.

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 records which summarize all taxes charged to the County Collector, monthly collections, delinquent credits, additions 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 accounted for properly and could also be used by the County Clerk and County Commission to verify the County Collector's annual settlements.

### Recommendation

The County Clerk maintain a complete and accurate account book with the County Collector. In addition, the County Commission and the County Clerk should use the account book to review the accuracy and completeness of the County Collector's annual settlements.

### Auditee's Response

*The County Commission and County Clerk provided the following response:*

*The County Clerk has developed a spreadsheet to reconcile with the County Collector to keep a closer eye on these issues.*

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## 3. Capital Assets and Vehicles

Capital asset and vehicle records are in need of improvement.

### 3.1 Capital assets

Procedures have not been developed to identify capital asset purchases and dispositions throughout the year. For example, two road graders purchased in June 2012, costing approximately \$488,000, had not been added to the capital asset listing as of December 31, 2012. In addition, records lack some necessary information such as disposition information. Also, physical inventories of county property were not performed during 2012. Although county personnel indicated the County Clerk generally requests each office submit an inventory list annually, the County Clerk's office did not request





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an inventory listing for 2012. As a result, the county is unable to ensure county-owned property is accounted for properly.

Adequate capital asset records and procedures are necessary to ensure effective internal controls, meet statutory requirements, and provide a basis for determining proper insurance coverage. Procedures to track capital asset purchases and dispositions throughout the year and compare to physical inventory results would enhance the county's ability to account for capital assets and potentially identify unrecorded additions and dispositions, identify obsolete assets, and deter and detect theft of assets. Section 49.093, RSMo, provides that the officer or their designee of each county department is responsible for performing annual inspections and inventories of county property used by their department and for submitting an inventory report to the County Clerk.

### 3.2 Vehicles and fuel use

Effective monitoring procedures have not been established for vehicle and equipment fuel use in the road and bridge department. The road and bridge department spent approximately \$209,000 for fuel during the year ended December 31, 2012, for the 45 road and bridge vehicles and equipment items.

Logs of fuel dispensed from bulk fuel tanks are maintained for each road and bridge vehicle; however, these logs are not used to reconcile to fuel purchased, and these reports are not reviewed by the road and bridge supervisor for reasonableness.

Procedures for maintaining and reviewing fuel usage logs and reconciling the information to fuel purchased and related records are necessary to ensure vehicles and equipment are properly utilized, prevent paying vendors for improper amounts, and decrease the risk of theft or misuse of fuel occurring without detection. Logs should provide sufficient details to enable the county to effectively monitor vehicle and equipment fuel costs.

### 3.3 Commuting mileage

The personal commuting use of county vehicles by some county employees is not reported to the Internal Revenue Service (IRS). Two road and bridge supervisors are allowed to use county vehicles to commute to and from home daily, and do not complete vehicle logs. Without complete vehicle logs, the county cannot distinguish between official and personal use, and therefore, is unable to properly report personal use.

The IRS regulations indicate personal and commuting mileage are reportable fringe benefits and require the full value of the provided vehicle to be reported if the employer does not require the submission of detailed logs that document business and personal use. Because procedures have not been established to ensure IRS regulations are followed, the county may be subject to penalties and/or fines for failure to report all taxable benefits.



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Similar conditions  
previously reported

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

Recommendations

The County Commission and the County Clerk:

- 3.1 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 capital asset purchases and dispositions throughout the year.
- 3.2 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.
- 3.3 Comply with IRS regulations for reporting fringe benefits related to commuting miles and require mileage logs which distinguish between business and commuting use.

Auditee's Response

*The County Commission and County Clerk provided the following responses:*

- 3.1 *This will be implemented.*
- 3.2 *We will ask the road and bridge secretary to reconcile the bulk fuel logs to the invoices and report to the road and bridge supervisor, and the supervisor will report to the County Commission.*
- 3.3 *We will require logs for these vehicles which include the detail of the miles driven. The County Clerk has contacted the IRS to discuss these requirements and will comply with IRS regulations.*

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## 4. Payroll

The county does not compensate law enforcement personnel in accordance with county policy, and reviews of timesheets and leave balances are not adequate.

### 4.1 Law enforcement policy

The county does not compensate law enforcement personnel in accordance with county policy. The county's current personnel policy provides for law enforcement personnel to accrue compensatory leave at time and a half for any time worked over 171 hours during a 28 consecutive day period; however, the county provided compensatory time at time and a half to law enforcement personnel, who worked more than 80 hours in a 2 week period. In addition, Sheriff employees who work more than the hours they are scheduled to work each day receive an hour of compensatory time for each additional hour worked. While the County Commission indicated this



## Pike County Management Advisory Report - State Auditor's Findings

change in procedure was approved, the county's written policy was not updated.

To ensure employees are treated equitably and are properly compensated, strict compliance with personnel policies is necessary, and the personnel policy should be updated to reflect any changes in the accrual of compensatory time.

### 4.2 Payroll oversight

An adequate review of timesheets and vacation and sick leave records was not performed by the County Clerk's office. A review of payroll records for August through November 2012 identified the following errors.

- A road and bridge department employee recorded 8 hours of vacation leave on his time sheet that was not recorded in the county's payroll system, and therefore his vacation leave balance was not reduced for the leave taken.
- A Sheriff's department employee recorded 88 hours on his timesheet for a 2 week work period. This employee worked 64 hours, recorded 24 hours as holiday and sick leave, and was granted 12 hours of compensatory time. Because the employee actually worked less than 80 hours in the two week period, he was not eligible to receive time and one half and should have received straight time, or 8 hours, under the county's normal procedures.

Without an adequate review process, the county cannot ensure payroll and leave records are in agreement, leave and compensatory time are properly computed, the county personnel policies manual is complied with, and errors are detected and corrected timely.

### Recommendations

- 4.1 The County Commission should ensure compliance with county personnel policies and revise the county personnel policy to reflect changes in the accrual of compensatory time.
- 4.2 The County Clerk adequately review timesheets and update payroll and leave records accordingly.

### Auditee's Response

*The County Commission and County Clerk provided the following responses:*

- 4.1 *We plan to look at the county policy book and update it.*
- 4.2 *We will try harder.*



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## 5. Public Administrator

Annual and final settlements are not always filed timely. In addition, adequate documentation is not always maintained to support disbursements.

### 5.1 Annual settlements

Annual settlements are not filed in a timely manner. Our review identified two cases for which annual settlements had not been filed since 2008, and another case for which a settlement had not been filed since 2009. In addition, annual settlements for three other cases were last filed in 2011. The total combined assets for these wards were approximately \$198,000. The Probate Clerk notifies the Public Administrator of approaching settlement due dates by sending the Public Administrator a notice 40 days prior to the due date. The Probate Clerk also sends a past due notice after an annual settlement is a month past due. Despite these procedures, some settlements have not been filed for several years.

We reviewed the case file for the ward whose last settlement was filed in 2009. The court did not approve the 2009 annual settlement, because the Public Administrator did not submit a statement from the investment company to verify the ending balance of the investment. In addition, a settlement was prepared covering the period from December 2009 through January 2013, but as of April 2013, this settlement had not been finalized and submitted to the court, because discrepancies were identified. Our review of this settlement and information obtained from the investment company indicated that two disbursements totaling \$16,410 were not included on the settlement. In addition, the settlement did not reflect income earned on the investment during the period from December 2009 through December 2011.

Sections 473.540 and 475.270, RSMo, require the Public Administrator to file an annual settlement with the court for each ward or estate. Timely settlements are necessary for the court to properly oversee the administration of cases and reduce the possibility that errors or misuse of funds will go undetected.

### 5.2 Case Disposition

The Public Administrator was assigned a case for a deceased ward during 2008. As of March 2013, the Public Administrator had not filed a final settlement for this case. In addition, assets, including a home, corporation stocks, personal property, and a bank account had not been distributed to the ward's heirs. The Public Administrator could not explain why a final settlement had not been filed and the court had not been petitioned to distribute the ward's assets.

Although a final settlement has not been filed, the Public Administrator filed a settlement for this case for the period of February 2010 to March 2012. The 2-year settlement included only three disbursements, one for probate costs and two for storage fees. The Public Administrator paid



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\$2,100 to a storage company to store a motorcycle and other personal property for this ward for a 42 month period through October 31, 2011. Additional storage costs of \$50 monthly are still being accrued, because the property continues to be stored. The Public Administrator did not retain a rental agreement or invoices to support these disbursements.

The Associate Circuit Court, Probate Division reviews and approves annual settlements filed by the Public Administrator; however, the court's review did not detect the lack of supporting documentation. Failure to adequately review settlements increases the risk that errors or misuse of funds could go undetected.

To reduce unnecessary disbursements and the risk of loss of assets and destruction of property, the Public Administrator should ensure final settlements are filed in a timely manner and assets are distributed to heirs promptly. In addition, documentation should be submitted to the court for review and retained by the Public Administrator to support all disbursements made.

## Recommendations

The Public Administrator:

- 5.1 Ensure annual settlements and related statements are filed timely.
- 5.2 File a final settlement for this ward and petition the court for an order of distribution. In addition, the Public Administrator should ensure invoices are retained to support all disbursements made. Further, the Associate Circuit Court, Probate Division should ensure supporting documentation is submitted with annual settlements filed with the court.

## Auditee's Response

*The Public Administrator provided the following responses:*

- 5.1 *I have submitted the documentation to my attorney's office and will check on the status of these settlements. I will talk to the Judge about the possibility of preparing some of the simpler settlements myself.*
- 5.2 *I have asked my attorney to file a final settlement for this ward and I do not know the reason for the delay. I will obtain the receipts from the storage company and will obtain another copy of the rental agreement.*



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*The Associate Circuit Judge, Probate Division, provided the following written response:*

5.2 *It is my policy to require supporting vouchers for all disbursements in question or over seventy-five dollars but evidently these particular vouchers were not submitted and/or were not available. However, the court was aware from a previous settlement that there were items in storage, the cancelled checks clearly substantiated proper payment, and there was no indication that such payments were inappropriate.*

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## **6. Sheriff**

Procedures for issuing receipt slips need improvement. In addition, controls and procedures over the commissary and inmate accounts are in need of improvement.

### **6.1 Receipting**

Receipt slips are not issued for some monies received. Our review of monies receipted and deposited into the inmate account during the period from November 3 through November 16, 2012, identified 14 transactions totaling \$647, which were deposited in the inmate account, but were not recorded on receipt slips. In addition, our review of monies deposited into the general account during December 2012 identified \$20 which was deposited on December 28, 2012, but was not recorded on a receipt slip.

Failure to record all monies received increases the risk that loss or misuse of monies received and errors will go undetected.

### **6.2 Commissary profits**

The Sheriff maintains profits from commissary sales outside the county treasury and uses these monies to purchase items for the benefit of prisoners and the Sheriff's department. During 2012, purchases totaling \$11,421 were made and included a dryer, inmate clothing and supplies, and janitor supplies. While not unreasonable or improper, these purchases were not approved by the County Commission and were not handled through the normal county procurement and budget process. As of December 31, 2012, there was approximately \$6,700 in the commissary account which should be distributed to the county treasury.

There is no statutory authority allowing the Sheriff to hold county monies outside the county treasury. Section 50.370, RSMo, requires every county official who receives any fees or other remuneration for official services to pay such monies to the County Treasurer. In addition, Attorney General's Opinion No. 45, 1992 to Henderson, states sheriffs are not authorized to maintain a bank account for law enforcement purposes separate from the county treasury.

### **6.3 Inmate bank account**

As noted in our prior report, procedures are not in place to properly identify month-end liabilities and compare these liabilities to the reconciled bank



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account balance. While the Sheriff stated this was being performed, documentation was not retained.

At our request, the Sheriff's department printed a listing of inmate account balances, which totaled \$1,607, at January 31, 2013. The reconciled balance totaled \$1,942. This comparison resulted in an unidentified difference of \$335 in the account. During 2012, the Sheriff's office deposited inmate monies totaling approximately \$66,000 to the inmate account.

Monthly lists of liabilities should be prepared and reconciled to cash balances to ensure records are in balance, errors are detected and corrected on a timely basis, and sufficient cash is available for the payment of all liabilities.

Similar conditions  
previously reported

Similar conditions were noted in our prior audit report.

## Recommendations

The Sheriff:

- 6.1 Issue receipt slips for all monies received.
- 6.2 Disburse commissary profits to the County Treasurer monthly.
- 6.3 Prepare a monthly list of liabilities for the inmate account and compare to the reconciled bank balance. Any differences should be investigated and resolved.

## Auditee's Response

*The Sheriff provided the following responses:*

- 6.1 *The period reviewed is not typical of day to day operations. A new clerk started during the period of November 3 through November 16, 2012. Since the first of the year, all monies have been receipted and accounted for properly.*
- 6.2 *Profits over and above a set operating amount will be placed into the Inmate Security Fund, which is held by the County Treasurer.*
- 6.3 *The inmate accounting system is reconciled with a manual ledger of receipts, disbursements, and ending balances each week. In addition, this ledger is reconciled to MICROSOFT MONEY weekly and the bank statement monthly.*

## 7. Prosecuting Attorney

Procedures related to monitoring court ordered restitution due from defendants and writing off accounts receivables need improvement. The Prosecuting Attorney's office collected approximately \$63,000 in bad



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checks and related fees and \$45,000 in restitution for the year ended December 31, 2012.

## 7.1 Accounts receivable

The Prosecuting Attorney's office does not adequately monitor court ordered restitution due from defendants. The restitution clerk goes through the case files periodically to determine if restitution payments are being received as ordered by the court. The restitution clerk also receives reports from probation officers and phone calls from victims, which identify whether or not an offender is making payments. However, a complete accounts receivable list is not maintained. Our review identified three cases where defendants were on unsupervised probation and the Prosecuting Attorney's office failed to file motions to keep these defendants on probation. As a result, \$775 owed by these three defendants became uncollectable and was written off in January 2013.

Proper monitoring of accounts receivable is necessary to provide information to the Judge and improve accountability.

## 7.2 Write-off procedures

Write-offs of receivables are not formally approved by a person independent of the postings of such transactions to ensure they are legitimate, and adequate documentation is not always maintained to support the reasons for the write-offs.

Write-offs are adjustments to reduce account balances to \$0 to remove uncollectible accounts from the system for various reasons, such as inability to locate individuals and lack of sufficient information to pursue the case. Currently, two clerks in the Prosecuting Attorney's office can make adjustments without an independent documented approval. The Prosecuting Attorney does not review a list of write-offs. From December 26, 2012, to February 11, 2013, the Prosecuting Attorney's office recorded \$5,976 as adjustments while only collecting \$13,091.

Proper authorization of write-offs and adequate documentation which fully explains the reason for the adjustments to accounts receivable balances are necessary to ensure only the proper accounts and amounts are adjusted and to reduce the risk of loss, theft, or misuse of funds going undetected.

## Recommendations

The Prosecuting Attorney:

- 7.1 Better monitor unpaid restitution and take steps to maximize collections.
- 7.2 Ensure adequate documentation is maintained to support all write-offs and an independent review and approval of all write-offs is performed and documented.





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## Auditee's Response

*The Prosecuting Attorney provided the following written responses:*

7.1 *Due to budget restraints, my office has only three clerical staff. The individual that handles probation and monitors restitution, is also responsible for handling child support. Each of these should probably be fulltime positions. However, because resources have dwindled over the years, we are unable to fund two fulltime positions. Therefore, the staff does the best they can with the time allotted.*

*That being said, we will make a point to review all restitution accounts on at least a quarterly basis. This should prevent people from being discharged from probation with unpaid restitution, assuming that probation and parole notifies us of when they are to be discharged from probation. Under the new rules for probation and parole, a person on probation earns compliance credit for every month they are on probation. Therefore, a five year probation now could be 2 and a half years. Since there is no longer a set time for probation to expire, it is more difficult to collect restitution in a timely fashion. Also, probation and parole does not consider failing to pay restitution as a basis for not discharging them from probation. In other words, if someone has not paid their restitution, probation and parole still allows them to earn compliance credits and can discharge them early. Again, we will attempt to monitor this at least once a quarter.*

7.2 *In the future, write-offs or adjustments will be approved by myself as the Prosecuting Attorney.*

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## 8. Sunshine Law

The county has not adopted a policy regarding public access to county records, as required by the Sunshine Law. A formal policy regarding access to county records would establish guidelines for the county to make the records available to the public. This policy should establish a contact person, an address to mail requests for access to records, and a fee schedule for document retrieval and research. Section 610.023, RSMo, lists requirements of making county records available to the public and Section 610.026, RSMo, establishes the fees for copying public records.

## Recommendation

The County Commission establish written policies and procedures regarding public access to county records.

## Auditee's Response

*The County Commission provided the following response:*

*We will try to implement a policy regarding public access to county records.*

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# Pike County

## Organization and Statistical Information

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Pike County is a county-organized, third-class county. The county seat is Bowling Green.

Pike 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 75 full-time employees and 23 part-time employees on December 31, 2012.

In addition, county operations include the Senate Bill 40 Board.

### Elected Officials

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

Officeholder	2013	2012
Dan Miller, Presiding Commissioner	\$	32,490
Curt Mitchell, Associate Commissioner		30,480
Roy W. Sisson, Jr., Associate Commissioner		30,480
Sherry McCarty, Recorder of Deeds		44,616
Bob Kirkpatrick, County Clerk		41,184
Melissa Kempke, County Clerk		3,114
Mark Fisher, Prosecuting Attorney		113,112
Stephen Korte, Sheriff		48,080
Patti Crane, County Treasurer		44,616
Jim Turner, County Coroner		16,466
Nina K. Long, Public Administrator		44,616
Marty J. Morrison, County Collector, year ended February 28,	44,680	
Donna Prior, County Assessor , year ended August 31,		44,256
Marty Wasson, County Surveyor (1)		

(1) Compensation on a fee basis.

### Financing Arrangement

In August 2012, the 20-year lease-purchase agreement with U.S. Bank, N.A. to pay for a capital improvement project for the county hospital was refinanced. The terms of the agreement are for the county to lease the real estate to U.S. Bank, N.A. which will provide the funds to pay the cost of the project and then lease the building back to the county with lease payments



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Organization and Statistical Information

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American Recovery and  
Reinvestment Act 2009  
(Federal Stimulus)

equal to the amount due to retire the indebtedness. The lease is scheduled to be paid off in the year 2021. The remaining principal and interest due on the lease at December 31, 2012, was \$3,355,000 and \$497,371, respectively. The lease will be paid with proceeds from the one-half cent Hospital Capital Improvement sales tax which took effect on April 1, 2002.

Pike County did not receive any federal stimulus monies during the year ended December 31, 2012.