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Missouri State Auditor

FOLLOW-UP REPORT ON AUDIT FINDINGS

Ray County

Report No. 2026-045

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Ray County

Follow-Up Report on Audit Findings

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*Includes selected findings



SCOTT FITZPATRICK
MISSOURI STATE AUDITOR

County Commission
and
Officeholders of Ray County

We have conducted follow-up work on certain audit report findings contained in Report No. 2023-067, *Ray County* (rated as Poor), issued in October 2023. The objectives of the follow-up were to:

1. Identify audit report findings for which follow up is considered necessary, and inform the county about the follow-up review on those findings.
2. Identify and provide status information for each recommendation reviewed. The status of each recommendation reviewed will be one of the following:
 - Implemented: Auditee fully implemented the recommendation, either as described in the report or in a manner that resolved the underlying issue.
 - In Progress: Auditee has specific plans to begin, or has begun, to implement and intends to fully implement the recommendation.
 - Partially Implemented: Auditee implemented the recommendation in part, but is not making efforts to fully implement it.
 - Not Implemented: Auditee has not implemented the recommendation and has no specific plans to implement the recommendation.

As part of the work conducted, we reviewed documentation provided by the County Clerk and Sheriff's office personnel, and held discussions with the County Clerk and the Sheriff's Office Manager and Accounts Receivables Clerk to verify the status of implementation for the recommendations. Documentation provided by the county included County Commission meeting minutes, financial records, and other pertinent documents. This report is a summary of the results of this follow-up work, which was substantially completed during November 2025.

A handwritten signature in black ink that reads "Scott Fitzpatrick". The signature is written in a cursive, flowing style.

Scott Fitzpatrick
State Auditor

Ray County

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Status of Findings

1. **Missing Money** From January 2018 through December 2020, Sheriff's office personnel receipted \$2,549 in conceal carry weapon (CCW) permit and \$443 in sex offender registry (SOR) fees that were not transmitted to the County Treasurer and were missing.

Because the missing receipts were recorded on the monthly receipt logs, we determined the money went missing between the time the money was removed from the locked drawer and recorded on the monthly receipt logs and the transmittal to the County Treasurer. Due to office turnover, we could not determine which employees had access to the money after it was removed from the locked drawer and recorded and when it was transmitted to the County Treasurer.

Recommendation The Sheriff work with the County Commission and other law enforcement officials regarding the missing money and take the necessary actions to seek restitution for amounts missing.

Status **Not Implemented**

The Sheriff's office did not refer the missing money to other law enforcement because office personnel indicated the suspected employees no longer worked in the office. The Sheriff also did not seek restitution or try to recover the amounts missing by other means. The Sheriff's office now maintains a surety bond for all employees to protect against any future loss.

2. **Sheriff's Controls and Procedures** Controls and procedures in the Sheriff's office needed significant improvement.

2.1 **Segregation of duties** Neither the prior nor the current Sheriff adequately segregated accounting duties or performed supervisory reviews of accounting and bank records. The Sheriff indicated he occasionally reviewed deposits, time cards, and checks written by the Office Manager; however, the Sheriff's reviews did not include a documented review of detailed time, receipt, and disbursement records.

Recommendation The Sheriff segregate accounting duties to the extent possible and/or ensure independent or supervisory reviews of accounting and bank records are performed and documented.

Status **Partially Implemented**

Most accounting duties remain unsegregated, but the Sheriff has implemented some review procedures. The Accounts Receivables Clerk receipts money, prepares deposits and bank reconciliations, and writes and signs checks. The Sheriff reviews the bank reconciliations and signs the reconciliations to document his approval, but he does not review detailed receipt and disbursement accounting records. Also, both the Sheriff and Captain approve



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2.2 Receipting, recording,
depositing and
transmitting

purchases prior to the Accounts Receivable Clerk preparing and signing the related checks. The Office Manager is responsible for compiling all disbursement information that is sent to the County Clerk.

The Sheriff's office procedures for receipting, recording, depositing, and transmitting money were inadequate. As a result, there was no assurance all money collected was properly receipted, recorded, and deposited or transmitted.

We identified the following concerns with CCW permits, SOR fees, and miscellaneous receipts:

- We could not determine if receipt slips were issued by former Sheriff's office personnel for miscellaneous receipts for the 3 years ended December 31, 2020.
- Former Sheriff's office personnel did not always or accurately record the method of payment on receipt slips and the monthly receipt logs did not indicate the method of payment. As a result, the Sheriff's office could not reconcile the composition of receipts to the composition of transmittals.
- Former Sheriff's office personnel did not maintain accurate monthly receipt logs.
- Former Sheriff's office personnel did not transmit receipts to the County Treasurer timely.
- Sheriff's office personnel had not issued receipt slips for all report copy receipts on hand. The Office Manager at the time of the cash count indicated receipt slips were only issued for cash received.
- Office personnel did not restrictively endorse checks upon receipt.

We identified the following concerns with inmate and bond receipts:

- Former Sheriff's office personnel did not issue receipt slips for all bond money received during the year ended December 31, 2020.
- Former personnel mistakenly deposited inmate money into the bond account.
- Former personnel made transfers totaling \$31,300 between the inmate and commissary accounts during the year ended December 31, 2020, and did not retain documentation to support the transfers.



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- Personnel did not record inmate and bond money totaling \$43,494 in the commissary system that was deposited to the commissary and bond accounts from April 2021 to December 2021.
- The Sheriff's office transferred money between its bank accounts without retaining any supporting documentation to explain the transfers.

Recommendation

The Sheriff require receipt slips be issued for all money received with the method of payment indicated, the numerical sequence of receipt slips be accounted for, the composition of receipts be reconciled to the composition of amounts recorded and transmitted or deposited, and money received be transmitted or deposited timely and intact. In addition, reconcile inmate and bond money received through the kiosks to deposits and kiosk reports, and ensure receipt slips, and supporting documentation for transfers between accounts, are retained. Further, ensure checks are restrictively endorsed immediately upon receipt.

Status

Implemented

We reviewed receipts and accompanying deposits for a 1-month period and noted receipt slips were issued for all receipts reviewed and we could account for the numerical sequence of receipt slips. Manual receipt slips included the method of payment and the method of payment for the kiosk receipts could be traced to daily reports. Bank statements showed that receipts were deposited timely. There were no transfers during the period reviewed. Kiosk receipts were reconciled to deposits and checks were restrictively endorsed.

2.3 Bank reconciliations and liabilities

The Sheriff's office did not prepare bank reconciliations or monthly lists of liabilities for the civil process, inmate, commissary, inmate security, and bond accounts. In addition, the Sheriff's office did not maintain a book balance for the civil process account and did not maintain accurate book balances for the inmate, commissary, inmate security, and bond bank accounts.

Recommendation

The Sheriff prepare lists of liabilities, calculate book balances, and ensure adequate monthly bank reconciliations are prepared for all bank accounts. The Sheriff should reconcile the lists of liabilities to the available cash balances. Any differences between accounting records and reconciliations should be promptly investigated and resolved.

Status

Partially Implemented

The Sheriff's Accounts Receivables Clerk indicated she completes all bank reconciliations on a monthly basis. We noted in our review of September 2025 bank reconciliations that it was completed timely, and she calculated a monthly book balance. However, the list she provided to us when we asked for a list of liabilities only included reconciling bank items and did not identify liabilities that could be compared to the reconciled account balance.



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2.4 Late fees, finance charges, and overdraft fees

Sheriff's office personnel did not ensure bills were paid timely and bank account balances were not properly monitored. During the year ended December 31, 2020, the Sheriff's office incurred late fees and finance charges totaling \$409 due to untimely credit card payments. In addition, the Sheriff's office incurred bank overdraft fees totaling \$140 in May 2021, when sufficient funds were not available in the bond account for 4 checks issued. The Sheriff could not explain why the prior Sheriff was not paying credit card bills timely or why he did not ensure funds were available for disbursements.

Recommendation

The Sheriff implement procedures to ensure bills are paid timely and bank account balances are sufficient to avoid late fees, finance charges, and bank overdraft fees.

Status

Implemented

We reviewed credit card and bank statements for September 2025 and noted all bills were paid timely and there were no finance charges or overdraft fees. The Sheriff's office now submits all bills to the County Clerk when received to ensure payments are made timely.

2.5 Record retention

The Sheriff's office did not properly retain financial records. We noted the Sheriff's office did not retain individual receipt slips, credit card statements, and supporting documentation for some credit card purchases. The Sheriff's office did not retain records from the prior commissary system including records of receipts, disbursements, and commissary inventory and sales records. The Sheriff's office did not retain all receipt slips for bonds received between January 1, 2021, and March 31, 2021, and did not retain the top copy of 4 voided SOR receipt slips received in 2018. Bank statements for some of the Sheriff's accounts were not retained for various months during the 3 years ended December 31, 2020.

Recommendation

The Sheriff retain all records in accordance with state law.

Status

Implemented

Sheriff's office personnel indicated all records are now retained. We requested and reviewed supporting documentation from the office, and noted all documents requested were available for review, including receipt slips and invoices to support disbursements.

3. Inmate Account and Commissary Controls and Procedures

The Sheriff's office handling of inmate accounts and commissary sales and proceeds needed improvement.



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3.1 Non-monetary adjustments

Controls over non-monetary adjustments posted to inmate accounts needed improvement. Sheriff's office personnel improperly applied inmate account adjustments totaling \$4,026 by issuing cash receipt slips between April 1, 2021, and December 27, 2021, rather than recording the adjustments as non-monetary transactions, and there was no review or approval by an independent person of these transactions. As a result, the total amount received as cash appeared higher than the actual amount received and could not be reconciled to the cash deposited. This may have also caused inmates' account balances to be inaccurate.

Recommendation

The Sheriff ensure all adjustments made to inmates' accounts are properly recorded. In addition, ensure all adjustments made to the commissary system are properly approved and compared to actual changes posted to the commissary system, and documentation of all adjustments is retained.

Status

Implemented

Sheriff's office personnel no longer adjust inmate accounts using cash receipt slips. We reviewed September 2025 inmate transactions and noted no such adjustments were made.

3.2 Unsupported and questionable purchases

The Sheriff's office spent at least \$5,543 on unsupported and/or questionable purchases with commissary account funds during the year ended December 31, 2020. Most of these purchases were made using a Walmart credit card and some were made by check. While some of these purchases may be appropriate, there was no documentation to support or explain the purpose of these purchases. In addition, the Sheriff's office did not retain receipt slips, invoices, and other supporting documentation for most purchases made from the commissary account.

The Sheriff's office made questionable and/or unsupported purchases totaling at least \$4,449 with a Walmart credit card. These expenses included, but were not limited to, 15 televisions, 46 hams, various beverages, alcohol, self-care items, digital cameras, a global position system (GPS) unit, a compact disc player, and speakers.

In addition, Sheriff's office personnel purchased unsupported and questionable items by check including flower arrangements and 30 hams. Sheriff's office personnel also made 4 purchases totaling \$1,103 by check for which no purchase receipt slips or other supporting documentation was retained, and the check register did not include a description of the purchases. As a result, we could not determine what goods or services were purchased and whether these purchases were a prudent use of county resources.



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The Sheriff's office could not explain why the prior Sheriff purchased these items or why invoices, purchase receipt slips, and other supporting documentation were not retained.

Recommendation

The Sheriff ensure adequate supporting documentation is maintained for all disbursements and all disbursements are necessary and prudent uses of public funds.

Status

Implemented

The County Clerk indicated the Sheriff's office submits receipt slips/invoices for check and credit card transactions immediately after purchases are made to ensure documentation is maintained. We reviewed November and December 2024 and September 2025 credit card statements for all accounts held by the Sheriff's office. All purchases appeared appropriate and were supported by adequate documentation.

**3.3 Inmate Prisoner
Detainee Security Fund**

The Sheriff's office did not disburse commissary net proceeds to the county Inmate Prisoner Detainee Security Fund as required by state law. In addition, the Sheriff's office did not maintain records of commissary net proceeds. As a result, we could not determine the amount of undisbursed net proceeds.

Recommendation

The Sheriff ensure existing and future commissary net proceeds are disbursed timely to the County Treasurer for deposit in the Inmate Prisoner Detainee Security Fund.

Status

In Progress

The Sheriff's office made a one-time disbursement of \$5,000 in September 2025 in an effort to catch up on delinquent payments to the Inmate Prisoner Detainee Security Fund. Sheriff's office personnel indicated they plan to continue to pay the amounts in excess of operating expenses to this fund every 90 days as required.

3.4 Inmate refunds

The Sheriff's office did not have adequate procedures to ensure all inmate money was refunded upon release.

Recommendation

The Sheriff refund all inmate money upon release. In addition, attempt to resolve unclaimed balances of inactive inmate accounts. If the payee cannot be located, the amount should be disbursed in accordance with state law.

Status

Partially Implemented

The Sheriff's Accounts Receivables Clerk indicated she has been working to locate prior inmates and refund and close their accounts. As of November 21, 2025, there were a total of 113 accounts, totaling \$825, still open. As of our



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review, she had not turned over any funds held for more than 3 years to the Missouri State Treasurer's Unclaimed Property Division, as required.

3.5 Sales tax

The Sheriff's office did not charge sales taxes on commissary sales of electronic cigarettes and certain hygiene products and remit them to the Department of Revenue (DOR).

Recommendation

The Sheriff contact the DOR for guidance on establishing procedures for charging and collecting sales tax on commissary sales, and ensure future sales tax collections are remitted to the DOR.

Status

In Progress

The Accounts Receivables Clerk reviews and calculates sales tax owed each month for commissary sales. We compared the September 2025 list of commissary product sales and Sales Tax Return form and noted sales tax was charged for most items, but the office was not charging sales tax for drink mixes, noodle cups, and honey buns, although it charged for other food items. The Accounts Receivable Clerk indicated the office will continue to work with its system to correct items not charged.

4. Sunshine Law

The County Commission did not always ensure compliance with the Sunshine Law for closed meetings and notices and agendas.

The County Commission discussed and voted on some topics in closed meetings that were not allowable under Section 610.021, RSMo. The County Clerk did not timely prepare official, signed meeting minutes for 15 of the 28 closed meetings held from January 1, 2020, through September 23, 2021. The County Commission did not include sufficient detail in meeting notices and agendas to advise the public of matters to be considered. Notices and agendas frequently did not include a statement that a closed meeting would be held and generally only included vague statements such as new business and old business with no additional information on matters to be discussed or decisions to be made.

Recommendation

The County Commission ensure only topics allowed by state law are discussed in closed meetings and specific reasons for closing a meeting are documented on the agenda and open meeting minutes. In addition, ensure official, signed minutes are prepared for all closed meetings in a timely manner and proper notification and agendas for public meetings are given and sufficiently detailed.

Status

Partially Implemented

The County Clerk and County Commission indicated they have worked to improve the meeting minutes and agendas. We reviewed all Commission meeting minutes from May 2025 through October 2025. The County Clerk



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indicated all agendas are posted every Monday morning on the Commission room doors, courthouse bulletins, and the county website. The County Commission signs and approves minutes during the Wednesday meeting of the following week. However, we noted 7 of the 18 closed meeting minutes included discussions of unallowable closed-meeting topics under Section 610.021, RSMo. Unallowable topics included general hiring of employees for the Sheriff's office, discussion of a county auction for non-real estate items, and information technology upgrades.