



**Nicole Galloway, CPA**  
Missouri State Auditor

# CITIZENS SUMMARY

## Findings in the audit of Ozark County

### Sheriff's Controls and Procedures

The Sheriff has not adequately segregated accounting duties and does not perform a supervisory review of accounting and bank records. One employee is responsible for receipting, recording, depositing and disbursing funds, increasing the risk of loss, theft or misuse without sufficient oversight. Additionally, office personnel do not issue receipt slips for some payments, deposit money for phone card sales timely, or adequately secure money until it is deposited or transmitted. Employees not authorized to sign checks have access to the sheriff's signature stamp and blank checks, and the sheriff lacks sufficient procedures to ensure payments are collected from other counties that board prisoners in the Ozark County jail. The sheriff also has not entered into written agreements with those counties that board prisoners, as required by law.

### Property Tax System and County Collector's Controls and Procedures

The county clerk does not maintain records summarizing property tax charges, transactions and changes. Additionally, the county commission failed to adequately review and approve a recent annual settlement prepared by the county collector. Auditors identified a negative cash total in one cash drawer, and the county collector lacked documentation to explain the negative total. Auditors determined money had been refunded in cash to a taxpayer for an overpayment made via money order. The county collector's failure to reconcile receipts to the composition of deposits (cash, check, or money order) increased the risk of loss, theft or misuse of funds.

### Prosecuting Attorney's Controls and Procedures

The prosecuting attorney does not perform a documented supervisory review of accounting records maintained by the one employee in his office who receipts, records and transmits payments and fees. The office also does not keep a detailed record of money collected, and receipt slips are not issued for monies received. The prosecuting attorney's office lacks procedures to ensure money is properly transmitted when payments are made by defendants for bad checks. Auditors reviewed records kept by the county treasurer reflecting money received from the prosecuting attorney's office, but they were unable to trace a number of transactions. The prosecuting attorney's office does not have adequate procedures to monitor and collect payment on bad checks.

### Payroll Controls and Procedures

Payroll controls and procedures affecting county employees in a number of offices need improvement. As noted in two previous audits, the county clerk does not maintain centralized leave records for employees of the sheriff's department, which maintains its own records. Without centralized records, the county commission cannot ensure leave usage and balances are accurate and that county practices comply with federal law. The sheriff's department did not follow county policy when calculating compensatory time in a number of situations and the county policy fails to address the use of unearned leave. Employees prepare and submit timesheets approximately one week in advance of the payroll distribution, and some timesheets inaccurately reflect employees' scheduled hours rather than actual hours worked.

Disbursements	The county commission failed to retain documentation of bids for health insurance, for which counties must seek competitive bids at least every 3 years. The county commission also did not solicit bids for property and liability insurance or bulk fuel purchases, in violation of state law. The sheriff's office spent \$7,602 in 2014 from its revolving fund on expenses of which two-thirds should have been allocated to other funds due to restrictions on revolving fund purchases.
Electronic Data Security	Numerous county offices lack sufficient password controls over computers, increasing the risk of unauthorized access to data. Employees in a number of offices do not have to change their passwords periodically or have a minimum number of characters in the passwords. Some officials and employees in the county clerk's office share user identification and password information for certain computers. The sheriff and public administrator do not store backup data at an off-site location, and the county commission does not back up its computer data. A number of county offices also do not require computers to lock after a certain period of inactivity or have security controls in place to lock a computer after a specified number of incorrect logon attempts.
Recycling Center's Controls and Procedures	The county's recycling center does not issue receipt slips for money received or record receipts in a ledger, preventing auditors from determining whether all money received was transmitted to the county treasurer. The center also does not restrictively endorse checks or record amounts withheld from transactions for use in a change fund.
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**.\*

\*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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