



Office of Missouri State Auditor  
**Nicole Galloway, CPA**

---

**FOLLOW-UP REPORT ON AUDIT FINDINGS**

**Dunklin County Public Administrator**

---

# Dunklin County Public Administrator

## Follow-Up Report on Audit Findings

### Table of Contents

---

State Auditor's Letter	2
------------------------	---

---

#### Status of Findings

---

1.	Gift Cards.....	3
2.	Disbursements.....	3
3.	Medicaid Eligibility .....	4
4.	Annual Settlements .....	5



**NICOLE GALLOWAY, CPA**  
**Missouri State Auditor**

To the County Commission  
and  
Public Administrator of Dunklin County

We have conducted follow-up work on audit report findings contained in Report No. 2016-013, *Dunklin County Public Administrator* (rated as Poor), issued in March 2016, pursuant to the Auditor's Follow-Up Team to Effect Recommendations (AFTER) program. The objectives of the AFTER program are to:

1. Identify audit report findings that require immediate management attention and any other findings for which follow up is considered necessary at this time, and inform the official 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.

Our methodology included working with the Public Administrator's office and court officials, prior to completion of the audit report, to develop a timeline for the implementation of corrective action related to the audit recommendations. As part of the AFTER work conducted, we reviewed documentation provided by the Public Administrator and held discussions with the Public Administrator, his staff, and court officials to verify the status of implementation for the recommendations. Documentation provided by the Public Administrator included ward annual settlements, ward receipt and disbursement records, and various other financial records. This report is a summary of the results of this follow-up work, which was substantially completed during September 2016.

Nicole R. Galloway, CPA  
State Auditor

---

# Dunklin County Public Administrator

## Follow-Up Report on Audit Findings

### Status of Findings

---

#### 1. Gift Cards

The Public Administrator made improper purchases totaling \$250 on a gift card purchased with ward monies, and purchases made on other ward gift cards totaling at least \$550 did not appear to be made by, or on behalf of, the wards. The Public Administrator could not provide documentation showing gift cards purchased on behalf of wards had been delivered to the wards.

Based on the results of our audit, and a subsequent investigation by law enforcement officials, the Public Administrator entered into a deferred prosecution agreement with the Attorney General's Office. The terms of the deferred prosecution agreement included, but were not limited to, reimbursing the applicable ward accounts for the \$800 in questionable purchases and resigning her position as Public Administrator.

#### Recommendation

The Associate Circuit Judge work with the new Public Administrator to ensure no other discrepancies exist. In addition, the Public Administrator should discontinue the use of gift cards and prepaid debit cards.

#### Status

##### **In Progress**

Shawnee Trowbridge was the Dunklin County Public Administrator during the audit period. She resigned on March 2, 2016. A successor, Matt Jackson, was appointed as Public Administrator effective April 1, 2016. Starting in 2015 the priority of the Public Administrator's office has been to prepare and file ward annual settlements that had not been filed timely in prior years. During that process the Public Administrator's office and the Circuit Court, Probate Division ensured no discrepancies exist in the files for the time periods covered by the annual settlements. As of September 2016, annual settlement filings are up to date.

Beginning in October 2016, when preparing annual settlements the Public Administrator plans to review each ward's current records, as well as records related to periods prior to the most recent annual settlement filed to ensure there are no other discrepancies similar to those identified in the audit report. The Public Administrator plans to review older records of all current wards within the next 12 months.

The practice of purchasing gift cards and prepaid debit cards with ward monies was discontinued in December 2014. The Judge issued a court order in June 2015 to formalize this policy.

---

#### 2. Disbursements

The Public Administrator did not retain adequate supporting documentation for some disbursements from ward bank accounts. Adequate supporting documentation was not available, as follows:



Dunklin County Public Administrator  
Follow-up Report on Audit Findings  
Status of Findings

- The Public Administrator issued checks from ward accounts to Walmart; however, she did not retain documentation to support all payments.
- The annual settlements reviewed showed the Public Administrator issued monthly personal allowance checks to some wards. In addition, the Public Administrator stated she sometimes purchased gift cards to provide additional allowances to wards. The documentation to support these checks and gift cards was not sufficient and the wards did not sign a receipt indicating monies had been received from the Public Administrator.

**Recommendation**

The Public Administrator ensure disbursements are supported by adequate documentation.

**Status**

**Implemented**

We chose 4 wards and reviewed all disbursements listed on their most recent annual settlements. All disbursements were supported by adequate documentation. All personal allowance monies were issued by checks made payable to the ward. Wards that pick up their personal allowance checks now sign an acknowledgement form indicating receipt of the monies. Wards that have personal allowance checks mailed to them also receive an acknowledgement form, which they sign and return to the Public Administrator's office. For wards residing in residential facilities, the Public Administrator reviews the monthly statements he receives from the facilities to ensure they properly applied allowance checks to the ward's account.

**3. Medicaid Eligibility**

The Public Administrator did not always report assets accurately on the Medicaid eligibility review form to help wards retain Medicaid eligibility. According to the Public Administrator, gift cards were sometimes purchased for future expenses so a ward's assets remained below Medicaid eligibility limits. These gift card purchases were in addition to the normal ward allowances and were not in lieu of such allowances. Four Medicaid eligibility forms reviewed had differences between reported asset balances and actual assets available.

**Recommendation**

The Public Administrator report accurate asset information for wards to the Department of Social Services (DSS), Family Support Division. Additionally, the Public Administrator should contact the DSS, Family Support Division to determine whether any monies are due to the state.

**Status**

**In Progress**

The Public Administrator's office has discontinued the practice of purchasing gift cards to reduce ward assets reported for Medicaid eligibility



Dunklin County Public Administrator  
Follow-up Report on Audit Findings  
Status of Findings

purposes. The Public Administrator stated Medicaid eligibility forms prepared in the last year have accurately reported ward assets. Beginning in October 2016, the Public Administrator plans to review each ward's physical asset listing during on-site visits to wards' homes/residential living facilities to ensure all asset information is correctly reported in the Public Administrator's records.

The Public Administrator stated he will contact the DSS, Family Support Division in October 2016 regarding the wards whose information was reviewed during the audit to determine whether any monies are due to the state. Additionally, when preparing annual settlements, the office will review past Medicaid eligibility records to determine if any other ward asset records were reported inaccurately. If additional discrepancies are identified, the Public Administrator will notify the DSS, Family Support Division.

#### 4. Annual Settlements

The Public Administrator did not always file annual settlements timely in compliance with state law, and some assets purchased during the annual settlement period did not appear on the ending inventory section of the annual settlement.

Our review noted 13 annual settlements were filed after the due date and 5 annual settlements were not filed for a 12 month (annual) period, as required. In addition, the assets included in 3 annual settlements were not accurate, and supporting documentation for disbursements, such as invoices, vouchers, bank statements, or canceled checks, are not filed with the Circuit Court, Probate Division, when filing annual settlements.

The Circuit Court, Probate Division, review of annual settlements filed by the Public Administrator did not detect any of the issues identified in this finding. In addition, the Circuit Court, Probate Division, did not have a system in place to monitor and ensure timely filing of settlements, nor did it follow up on annual settlements not filed by the required date.

#### Recommendation

The Public Administrator ensure annual settlements are complete and accurate, and filed timely with supporting documentation. In addition, the Circuit Court, Probate Division, should notify the Public Administrator of annual settlement deadlines timely, follow up on settlements not filed by the required date, and review the settlements appropriately.

#### Status

##### **Implemented**

We reviewed the records of 4 wards and noted each had annual settlements filed timely for 2015 and 2016 activity and each settlement was for a 12-month period. The Public Administrator now provides the Circuit Court, Probate Division all bank statements, bank reconciliations, and support for



Dunklin County Public Administrator  
Follow-up Report on Audit Findings  
Status of Findings

---

disbursements when filing an annual settlement with the court. These documents are reviewed by the Probate Clerk before they are provided to the Associate Circuit Judge for a final review. The Probate Clerk generates a monthly report of annual settlement filings due in the next month and provides the report to the Public Administrator to help ensure timely filing of annual settlements. The Public Administrator stated all annual settlements are prepared for a 12-month period.

In addition, the Public Administrator or a member of his staff have visited wards for which there was a known problem (such as a specific issue noted in the audit report or a concern from a ward's family), and updated the asset listings accordingly. Beginning in October 2016, the Public Administrator or his staff plan to visit all wards to ensure asset listings are accurate.