



Office of Missouri State Auditor
Nicole Galloway, CPA

Atchison County



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Missouri State Auditor

CITIZENS SUMMARY

Findings in the audit of Atchison County

Sheriff's Controls and Procedures	The Sheriff's office does not issue receipt slips for paper service fees received, post these fees to the paper service fee log, restrictively endorse checks, or deposit these monies until the papers are served. Jail personnel do not use prenumbered bond forms, and prenumbered receipt slips are not issued for bonds paid by credit card. In addition, bonds received are not posted to the spreadsheet prepared by office personnel to track deposits and disbursements.
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 **Good**.*

*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.

Atchison County

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NICOLE GALLOWAY, CPA

Missouri State Auditor

County Commission
and
Officeholders of Atchison County

We have audited certain operations of Atchison County in fulfillment of our duties under Section 29.230, RSMo. In addition, McBride, Lock and Associates, LLC, Certified Public Accountants, has been engaged to audit the financial statements of Atchison County for the 2 years ended December 31, 2017. The scope of our audit included, but was not necessarily limited to, the year ended December 31, 2017. The objectives of our audit were to:

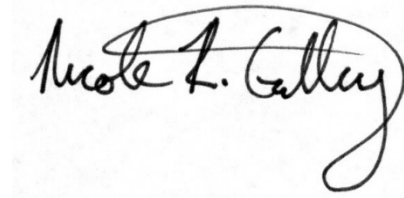
1. Evaluate the county's internal controls over significant management and financial functions.
2. Evaluate the county's compliance with certain legal provisions.
3. Evaluate the economy and efficiency of certain management practices and procedures, including certain financial transactions.

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 applicable contract, grant agreement, 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) no significant noncompliance with legal provisions, and (3) the need for improvement in management practices and procedures. The accompanying Management Advisory Report presents our finding arising from our audit of Atchison County.

A handwritten signature in black ink, reading "Nicole R. Galloway". The signature is written in a cursive style with a large, looping flourish at the end of the name.

Nicole R. Galloway, CPA
State Auditor

The following auditors participated in the preparation of this report:

Director of Audits:	Randall Gordon, M.Acct., CPA, CGAP
Audit Manager:	Todd M. Schuler, CPA
In-Charge Auditor:	Keisha Guthrie
Audit Staff:	Shelbi M. Becker Austin T. Olson

Atchison County Management Advisory Report State Auditor's Findings

1. Sheriff's Controls and Procedures

Some controls and procedures in the Sheriff's office need improvement. The office processed paper service fees, concealed carry weapon permits, bonds, and other miscellaneous receipts totaling approximately \$91,000 during the year ended December 31, 2017.

1.1 Receipting

The Sheriff's office does not issue receipt slips for paper service fees received, post these fees to the paper service fee log, restrictively endorse checks, or deposit these monies until the papers are served. During a cash count performed on April 19, 2018, we identified 3 checks, totaling \$155, for paper service fees that were not receipted, posted to the paper service fee log, or restrictively endorsed. In addition, receipt slip numbers are not posted to the paper service log to help ensure all fees collected have been accounted for properly.

Failure to implement adequate receipting procedures over paper service fees increases the risk that loss, theft, or misuse of monies received will go undetected. Procedures should be established to ensure receipt slips are issued immediately for all paper service fees received, the receipt slip number is posted to the paper service fee log, checks are restrictively endorsed immediately upon receipt, and all monies are deposited timely.

1.2 Bonds

Jail personnel do not use prenumbered bond forms, and prenumbered receipt slips are not issued for bonds paid by credit card. In addition, bonds received are not posted to the spreadsheet prepared by office personnel to track deposits and disbursements. The disbursement of each bond is recorded in this spreadsheet, but because the individual bonds received and related receipt slip numbers are not posted to the spreadsheet, there is less assurance all bonds were handled appropriately.

Failure to implement adequate receipting procedures over bonds increases the risk that loss, theft, or misuse of monies received will go undetected. Procedures should be established to ensure prenumbered bond forms or receipt slips are issued for all bonds received, and receipt slip numbers are posted to a bond log.

Recommendations

The Sheriff:

- 1.1 Issue receipt slips for all monies immediately upon receipt, post receipt slip numbers to the paper service fee log, restrictively endorse all checks immediately upon receipt, and deposit all monies timely.
- 1.2 Issue prenumbered bond forms or prenumbered receipt slips for all bonds received and post receipt slip numbers to a bond log.

Auditee's Response

- 1.1 *A receipt slip will be issued for paper service checks immediately upon receipt, endorsement will be applied when received, and they*



Atchison County
Management Advisory Report - State Auditor's Findings

will now be deposited upon receipt. A refund will be issued if service is prohibited for any reason. A photocopy of the check will be attached to the service and the receipt slip number will be added as part of the paper service log.

- 1.2 *Presently, our bond forms come from 2 sources. The court supplies hard copy forms and our software contains the identical form within the booking program. Neither form is prenumbered. It is my hope our software provider will be able to prenumber our computerized bond forms. Then in the instance a pre-filled hard copy form comes from the court, we would populate the digital form with the court's information. Additionally, presently we can only use our software version of the bond form if the individual bonding is incarcerated. Many arrestees are brought in from the weigh scales, interstate, or randomly with active warrants and those individuals are able to bond so they are never incarcerated. Our software provider also has to be capable of correcting that issue. As yet we have not received a reply to our requests from our software provider. We are also inquiring other counties as to their process.*

In the meantime and/or if our software provider cannot accommodate our request, we will use a bond log which will incorporate the following: Receipt slip number and form (cash, check, credit card, surety, personal recognizance) from our one-write receipt slips, name of the bonded, amount of the bond, case number the bond is associated with, the county/municipality the bond is to be directed to, and state of the county/municipality. The bonds will not be prenumbered but the one-write receipt slip will be chronological and all the pertinent information will be trackable.

As Sheriff, I track and monitor all overall procedures within my office and monthly reports are delivered to the County Commission and County Treasurer. Even though the Auditor's report shows there were no actual financial discrepancies, one can always learn from this process and we look forward to implementing these new recommendations within the Sheriff's office for additional control and preventive measures.

Atchison County

Organization and Statistical Information

Atchison County is a county-organized, third-class county. The county seat is Rock Port.

Atchison 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. In addition to elected officials, the county employed 32 full-time employees and 14 part-time employees on December 31, 2017.

In addition, county operations include the Senate Bill 40 Board, the Senior Citizens' Services Board, and the Enhanced Enterprise Zone Board.

Elected Officials

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

Officeholder	2018	2017
Curtis Livengood, Presiding Commissioner	\$	38,709
Richard C. Burke, Associate Commissioner		36,691
James Quimby, Associate Commissioner		36,691
Eliza Beasing, Recorder of Deeds		41,766
Susette M. Taylor, County Clerk (1)		58,018
Brett Hurst, Prosecuting Attorney		65,270
Dennis D. Martin, Sheriff		61,194
Debbie True, County Treasurer		53,726
Shawn Minter Jr., County Coroner		16,827
Teresa Jayne Scott, Public Administrator		31,283
Diane Livengood, County Collector (2), year ended February 28,	68,042	
Lori Brown Jones, County Assessor, year ended August 31,		54,455

(1) Includes \$2,649 of commissions earned for preparing city property tax books.

(2) Includes \$12,416 of commissions earned for collecting city and drainage district property taxes.