



Office of Missouri State Auditor
Nicole Galloway, CPA

Lewis County



Nicole Galloway, CPA
Missouri State Auditor

CITIZENS SUMMARY

Findings in the audit of Lewis County

Sheriff's Controls and Procedures	Controls and procedures for receipting and recording bond monies are not sufficient. The Sheriff has not established adequate controls over seized property.
Prosecuting Attorney's Controls and Procedures	The Prosecuting Attorney reduced charges filed on traffic tickets by requiring defendants to perform community service and/or make a contribution to a not-for-profit organization, including an organization he founded. In addition, the Prosecuting Attorney does not disclose to the court the terms of the plea agreement. The Prosecuting Attorney has not established proper controls or procedures for receipting and transmitting monies.
Public Administrator's Controls and Procedures	The Public Administrator does not assess and collect fees from the accounts of some wards and estates and has not filed annual settlements in compliance with state law. Additionally, the Circuit Court, Probate Division does not timely notify the Public Administrator of the annual settlement filing requirement and does not sufficiently review the activity of cases assigned to the Public Administrator.
County Procedures	The county lacks adequate procedures to account for bulk fuel used by the road and bridge department. Procedures and records to account for county property are not adequate. The General Revenue Fund budgets do not reasonably reflect the anticipated financial activity and cash balances reducing the effectiveness of the budget as a tool for monitoring or controlling disbursements.
Electronic Data Security	The Prosecuting Attorney, the County Assessor, and the Recorder of Deeds have not established adequate password controls to reduce the risk of unauthorized access to computers and data. The County Collector does not have security controls in place to lock computers after a certain number of incorrect logon attempts.
Sunshine Law	The County Commission has not adopted a written policy regarding public access to county records as required by state law.
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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NICOLE GALLOWAY, CPA

Missouri State Auditor

County Commission
and
Officeholders of Lewis County

We have audited certain operations of Lewis County in fulfillment of our duties under Section 29.230, RSMo. In addition, Stopp & Vanhoy, LLC, Certified Public Accountants, was engaged to audit the financial statements of Lewis County for the year 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:

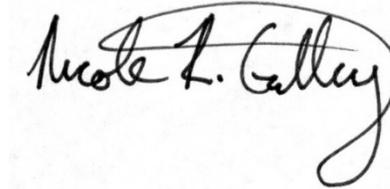
1. Evaluate the county's internal controls over significant management and financial functions.
2. Evaluate the county's compliance with certain legal provisions.
3. Evaluate the economy and efficiency of certain management practices and procedures, including certain financial transactions.

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 tested certain of those controls to obtain evidence regarding the effectiveness of their design and 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) 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 Lewis County.

A handwritten signature in black ink that reads "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:

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Lewis County Management Advisory Report State Auditor's Findings

1. Sheriff's Controls and Procedures

Controls and procedures in the Sheriff's office need improvement. During the year ended December 31, 2017, office personnel deposited approximately \$202,500 into the Sheriff's fee bank account, including \$132,500 for bonds and \$70,000 for civil and criminal process fees, prisoner board billings, concealed carry weapon permits, and other miscellaneous receipts.

1.1 Bonds

Controls and procedures for receipting and recording bond monies are not sufficient. Jail personnel collect bond monies and transmit these monies to the Office Administrator for processing. However, jail personnel do not use prenumbered bond forms, do not issue receipt slips for bond monies received, and do not record all bond monies received in the records management system. As a result, neither the Office Administrator nor the Sheriff can account for all bonds received and ensure bonds are handled properly. In addition, while bond monies are placed in a locked box until processed by the Office Administrator, access to this box is not restricted and there is no documentation of the transmittal of this money to the Office Administrator.

For the month of October 2017, we compared records of bonds posted in the records management system to records of bonds receipted by the Office Administrator and identified 3 bonds that were receipted by the Office Administrator but not posted in the records management system.

To reduce the risk of loss, theft, or misuse of bond monies, and provide assurance all bond monies are accounted for properly, procedures for receipting and recording bonds should be improved, access to the locked box should be restricted, and transmittal of bond monies to the Office Administrator should be documented.

A similar condition was noted in our prior audit report. Additionally, Report No. 2015-039, *Follow-Up Report on Audit Findings - Lewis County*, (section 1.3), issued in June 2015, reported the status as partially implemented.

1.2 Seized property

The Sheriff has not established adequate controls over seized property. A comprehensive listing(s) of all seized property is not maintained and the Sheriff's office does not conduct periodic inventories of seized property. The Sheriff indicated his office maintains a log of seized evidence only and does not maintain a separate log documenting property seized for any other reason. The Sheriff indicated an inventory of seized evidence was performed in October 2017 when evidence room personnel changed; however, it was not documented and was limited to a visual review of seized evidence rather than a physical inventory comparing items on hand to the seized evidence log. The Sheriff did not know the last time a physical inventory was performed. In addition, since a comprehensive listing of all seized property is not maintained, any physical inventory performed would not identify other missing property not considered seized evidence.



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During our review of the seized evidence log and items on hand as of June 2018, we noted 1 of 9 items selected for review from the seized evidence log was not on hand. The Sheriff indicated this item was disposed of in October 2017; however, the evidence log was not updated to reflect the disposition. In addition, we noted 1 of 5 items selected for review from the seized evidence room was not recorded on the seized evidence log. According to the Sheriff, this property was seized for safekeeping and not as evidence so it was not included on the seized evidence log.

Considering the often sensitive nature of all seized property, adequate internal controls are essential and would significantly reduce the risk of loss, theft, or misuse of seized property. Complete and accurate records of all seized property should be maintained and periodic physical inventories should be performed and the results compared to the inventory records to ensure seized property is accounted for properly.

Recommendations

The Sheriff:

- 1.1 Issue prenumbered receipt slips or prenumbered bond forms for bond monies received and account for the numerical sequence. In addition, the Sheriff should ensure that access to the locked box is restricted and the transmittal of bond monies between staff is documented.
- 1.2 Maintain a comprehensive listing of all seized property, and ensure a periodic inventory is conducted and reconciled to the seized property log and any differences are investigated.

Auditee's Response

- 1.1 *I disagree that controls and procedures for receipting and recording bond monies are not sufficient. Your finding fails to acknowledge that all defendants who post bond are in fact given a receipt. My office uses an Office of the State Courts Administrator (OSCA) bond form OSCA (01-05) CR40. (This form is not numbered.) On this bond form it explains to the defendant the court's rules and also explains the procedures followed by the court in later dispersal of the funds. More importantly from an accounting standpoint, the form also includes the amount of money posted as the bond. The jailer and the defendant both sign the form as well as any other signer.*

Once the money is accepted, and if the Office Administrator is unavailable, the money is placed in a lock box within my office. I dispute your finding that the lock box is not in a restricted area. Members of the general public are not allowed into the office without a member of the Sheriff's office being present. Therefore, the locked box is only at risk of being raided by a member of my own staff.

A person posting bond at my facility will have at minimum a booking incident number and a jail number. Both numbers are in the jail



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records management system. Our software vendor is Lawman. This system is encrypted and also backed up to an off-site server. In addition to the Lawman booking incident number and the jail number, the defendant is assigned an Offense Cycle Number. In some cases there will also be a court case number, a ticket number, and/or another agency's case number. These numbers are also placed on the OSCA provided form. Once the Office Administrator receives the money for the bond she completes a receipt in a one write receipt book and also enters the transaction into a QuickBooks accounting software system. This bond has two more numbers assigned to it. Potentially, a person who posts bond will have up to six different numbers attached to the bond.

Therefore, I do not believe placing a handwritten number on the OSCA provided form will enhance our ability to adequately control and account for monies received for bond.

- 1.2 *Your usage of the words seized property indicates that I currently keep a "seized property log." As I explained to your staff, for the past eighteen years we have kept an evidence inventory log sheet. This does not include items collected for safekeeping such as weapons at the request of the court, found property, or discarded medications. You indicate that items collected are not properly documented. Once again you fail to recognize that deputies are required to document items collected as found property, evidence, and items kept for safe keeping in the Lawman records management software. This includes the name of the person the item is collected from, what type of item is taken, and also any potential owner. This documentation includes the date it was collected, by whom and for what purpose. A separate property form is completed and kept with the file. This collection process also is assigned an incident number through the Lawman software system. The item is required to be properly marked and/or tagged with the incident number, date collected, and other pertinent information.*

In regards to the item "not on hand." I provided your staff with the court order for the destruction of this item, which occurred in October 2017. This court order was kept in the evidence room and I also provided a copy of the case file. This item was then destroyed and the evidence officer and another deputy both signed off that the item had been destroyed. I agree that the evidence officer's initials were not on the evidence log indicating it had been removed. But in October 2017, as we do every year, an entire year's worth of items are destroyed after receiving the proper court order. This is done every year due to the lack of space in our evidence room. But the



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supporting documentation is more important than just the initials of one officer.

In regards to the one item not being listed on the evidence log, this shotgun was seized in 2016 from a suicidal person and the shotgun was kept to prevent possible further harm to the person and/or someone else. The shotgun was properly marked, tagged and assigned an incident number. Upon review of the Lawman database computer software, I provided a copy of the report for your staff to review. My staff generally did not include other property on our evidence log sheet. This does not reflect that any item seized by my staff is not documented. It should also be noted in this case, this item was seized two years ago, and we were able to present proper documentation as well as the item. I believe this demonstrates we have successfully collected the item and kept it in a safe manner.

Auditor's Comments

- 1.1 The Sheriff's response indicates all bonds are entered into the Lawman system. However, as discussed in the finding, our review noted 3 bonds received that were not recorded in this system. Because all bonds may not be in this system or otherwise recorded, a process to account for all bonds, including the use of prenumbered (by a printer) bond forms are necessary to ensure all bond monies received are transmitted to the Office Administrator to be recorded and deposited.
- 1.2 Non-evidence items held at the Sheriff's office may include weapons and other items of a sensitive nature. Records of these items are kept in individual case files and in the Lawman system. Sheriff's office personnel indicated the system does not allow for a report to be generated that lists all property held and, as noted in the finding, no other listing is kept. Without a comprehensive listing of all property, it would be difficult to inventory all items held and ensure all items are accounted for properly.

2. Prosecuting Attorney's Controls and Procedures

The Prosecuting Attorney's office accounting controls and procedures need improvement. Office personnel receipted approximately \$39,700 in bad check, court-ordered restitution, and associated fees during the year ended December 31, 2017. They also processed approximately \$44,000 in contributions to a local not-for-profit organization.

2.1 Unallowable contributions

The Prosecuting Attorney frequently reduced charges filed on traffic tickets by requiring defendants perform community service and/or make a contribution to a not-for-profit organization in Lewis County, as a condition of reducing the charges. Until 2018, the list of suggested not-for-profit organizations provided by the Prosecuting Attorney's office included an organization founded by the Prosecuting Attorney. The Prosecuting Attorney's office did not require defendants submit documentation of



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contributions made to this organization like it required for other organizations, thus making it a more convenient and potentially more likely choice for defendants. Beginning in 2018, the Prosecuting Attorney limited the list of possible organizations for contributions to only school booster clubs located in Lewis County (the organization founded by the Prosecuting Attorney is no longer an option).

During the year ended December 31, 2017, the Prosecuting Attorney reduced charges on more than 400 traffic tickets after contributions totaling approximately \$52,000 were made to not-for-profit organizations, including more than \$44,000 to the not-for-profit he founded. While well intentioned, the inclusion of the not-for-profit organization founded by the Prosecuting Attorney as a suggested organization in which a contribution could be made as a condition for a plea deal gives the appearance of a conflict of interest and should be reexamined.

There is also no authority for the Prosecuting Attorney to require a contribution to reduce charges filed on traffic tickets as a term of a plea agreement. Article IX, Section 7, Missouri Constitution, states the proceeds of all penalties, forfeitures, and fines are to be distributed to the County School Fund.

In addition, the Prosecuting Attorney does not disclose to the court the terms of the plea agreement, including the requirement to contribute to a local not-for-profit organization. Supreme Court Rule 24.02 states that if a plea agreement has been reached by the parties, the court shall require the disclosure of the agreement on the record and a determination that there are no promises apart from the plea agreement.

2.2 Receipting and transmitting

The Prosecuting Attorney has not established proper controls or procedures for receipting and transmitting monies. The Prosecuting Attorney's office does not issue a receipt slip for amended ticket fines and costs when the monies are received. These monies are mailed to the Prosecuting Attorney's office and held by his office until all terms of the plea agreement have been met. At that time, the monies are transmitted to the Circuit Clerk's office, but no documentation of the transmittal is obtained.

During a cash count performed on May 14, 2018, we identified 6 checks, totaling \$793, for fines and court costs related to amended traffic tickets that had not been receipted. One of the 6 checks was not transmitted to the Circuit Clerk's office until June 15, 2018.

To adequately safeguard receipts and reduce the risk of loss, theft, or misuse of funds or errors occurring and going undetected, proper receipting and transmitting procedures are necessary.



Recommendations

The Prosecuting Attorney:

- 2.1 Reevaluate the practice of requiring contributions to local not-for-profit organizations as part of reducing charges filed and ensure all terms of plea agreements related to amended tickets are filed with the court.
- 2.2 Issue prenumbered receipt slips for all monies received, and ensure monies are transmitted timely and adequately documented.

Auditee's Response

- 2.1 *My office has already taken significant steps to address your concerns with "unallowable contributions." First of all, based at least partially on a prior audit, my office discontinued the practice of allowing contributions for traffic ticket amendments to the Lewis County Law Enforcement Soccer League in 2017. That organization existed for many years prior to being the recipient of contributions based on the amendment of tickets. I understand the concerns and in order to avoid even the appearance of impropriety I do not intend to allow such contributions in the future.*

As your report suggests, in 2018 my office limited the list of possible organizations to only school booster clubs located in Lewis County. Based on your initial review in this audit and the concerns of the Associate Circuit Judge, Fred Westhoff, that practice was terminated in August 2018. This is a permanent change and allowance of those contributions will not be reinstated.

Finally, my office policy on ticket amendments at this time is simply on those tickets that we agree to amend to do so at the request of the defendant or his/her attorney and not to make any additional requirements. The fine and costs remain the same as they would have been for the speeding ticket. This plan is in effect and has been since August 2018. The court is made aware as each ticket is processed that there are no promises or requirements apart from this agreement. I do not anticipate changing this policy at this time.

- 2.2 *I believe this recommendation has largely been addressed by the modification of our amendment policy. Money orders made payable to the Circuit Clerk's office were sometimes held by our office until the remainder of the plea agreement had been met. This was done at the request of personnel in the Circuit Clerk's office. At this time, we are amending the tickets immediately, therefore, money orders that are delivered to our office are immediately delivered to the Circuit Clerk's office and moving forward, documentation of these transmittals to the court will be obtained. Any monies directed to my office have been and will continue to be timely receipted and adequately documented.*



3. Public Administrator's Controls and Procedures

Public Administrator controls and procedures need improvement. The Public Administrator is the court appointed personal representative for wards or decedent estates of the Circuit Court, Probate Division, and was responsible for the financial activity of approximately 40 wards and estates during the year ended December 31, 2017.

3.1 Fees

The Public Administrator does not assess and collect fees from the accounts of some wards and estates. During the year ended December 31, 2017, fees totaling \$1,596 were assessed and paid to the county treasury for only 3 wards and/or estates. Section 473.742, RSMo, provides all fees collected by the Public Administrator who elects to be salaried are to be deposited into the county treasury.

To ensure fees are consistently assessed against the accounts of the wards and estates and remitted to the county treasury, the Public Administrator should work with the court to establish a policy for fees to be assessed.

3.2 Annual settlements

The Public Administrator has not filed annual settlements in compliance with state law. In addition, the Circuit Court, Probate Division does not timely notify the Public Administrator prior to the deadline for the annual settlement or follow up on annual settlements not filed by the required date.

For each ward or estate, the Public Administrator is required to file an annual settlement with the Circuit Court, Probate Division on the anniversary date of the date of letters, which reflects a detailed list of assets held, as well as financial activity for the previous year. As of June 30, 2018, of the 30 wards and estates requiring filing of annual settlements during the year ended December 31, 2017, 9 had not been filed and 3 were filed more than 7 months late.

Additionally, the Circuit Court, Probate Division did not notify the Public Administrator of the annual settlement filing requirement 40 days before the settlement due date for 21 of the 30 wards and estates requiring filing during the year ended December 31, 2017.

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 filing of settlements is necessary for the court to properly oversee the administration of cases and reduce the possibility that errors, loss, theft, or misuse of funds will go undetected. In addition, Sections 473.557 and 475.280, RSMo, require the clerk of the court to notify the conservator or guardian (Public Administrator) of the deadline for the annual settlement; however, failure to receive the notice does not excuse the conservator or guardian from filing the settlements as required by law.



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3.3 Supporting documentation

The Circuit Court, Probate Division does not sufficiently review the activity of cases assigned to the Public Administrator. The court's review of disbursements on annual settlements is limited to verifying the accuracy of amounts reported by reviewing copies of canceled checks included as part of the bank statements. The court does not require and the Public Administrator submit supporting documentation, such as invoices, when filing annual settlements. Without additional supporting documentation, it is difficult for the court to assess the validity and reasonableness of costs charged to and paid by wards of the Public Administrator. Consideration should be given to requiring supporting documentation be filed with the court and reviewed in conjunction with the annual settlements.

Similar conditions previously reported

Similar conditions to sections 3.2 and 3.3 were noted in our prior audit report.

Recommendations

- 3.1 The Public Administrator work with the court to establish a policy outlining the fee amount to assess wards and estates and ensure fees are assessed and paid to the county for all applicable wards and estates.
- 3.2 The Public Administrator ensure annual settlements are filed timely for all wards and estates. In addition, the Circuit Court, Probate Division should notify the Public Administrator of annual settlement deadlines timely and follow up on settlements not filed by the required date.
- 3.3 The Circuit Court, Probate Division, establish procedures to adequately monitor the activity of all cases assigned to the Public Administrator, and require supporting documentation such as invoices be filed with the court for the annual settlement.

Auditee's Response

The Public Administrator provided the following responses:

- 3.1 *I will work with the court to establish a fee schedule and ensure fees are assessed and paid to the county once approved for all applicable wards and estates based on this schedule.*
- 3.2 *I have established a calendar to track and notify me 30 days prior to the date each annual settlement is due so I can ensure these settlements are prepared and filed timely with the court. Seven of the nine estates noted for which an annual settlement had not been filed as of June 30, 2018, did not have any financial activity occurring during the audit period. However, I understand an annual settlement was still required to be filed for each of these cases and will ensure these are filed timely moving forward.*



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The Circuit Clerk provided the following response:

3.2 *I agree with this recommendation and will work to ensure the Public Administrator is notified of annual settlement deadlines timely and will follow up with the Public Administrator if settlements are not filed timely.*

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

3.3 *In appropriate circumstances, the court will require supporting documentation of disbursements over \$75 be filed with the court.*

4. County Procedures

Controls and procedures over fuel usage and capital assets need improvement. In addition, budgets need to reflect realistic disbursement estimates.

4.1 Fuel use

The county lacks adequate procedures to account for bulk fuel used by the road and bridge department. The county uses 2 bulk fuel tanks to store fuel purchased and 1 mobile fuel tank to haul fuel from the road and bridge department to vehicles and equipment. During the year ended December 31, 2017, bulk fuel purchases totaled approximately \$84,000 for the road and bridge department.

Logs of fuel pumped from bulk fuel tanks are not maintained. One bulk fuel tank and the mobile fuel tank are not equipped with a fuel meter. Without fuel meters the amount of fuel dispensed from these tanks cannot be determined. In addition, mileage and usage logs are not maintained for road and bridge department vehicles and equipment.

Procedures for reconciling fuel use to fuel purchases are necessary to ensure vehicles and equipment are properly utilized; prevent paying vendors for improper amounts; and decrease the risk of loss, theft, or misuse of fuel occurring and going undetected. Mileage and usage logs are necessary to document the appropriate use of vehicles and equipment and to support fuel purchases.

A similar condition was noted in our prior audit report.

4.2 Capital assets

Procedures and records to account for county property are not adequate. The county does not have procedures in place to identify capital asset purchases and dispositions throughout the year. In addition, county officials have not conducted annual physical inventories or provided inventory lists to the County Clerk as required. As a result, the county's capital asset records are not complete and up to date.



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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 his/her designee of each county department is responsible for performing annual inspections and inventories of county property used by his/her department and for submitting an inventory report to the County Clerk.

4.3 Budgets

The General Revenue Fund budgets do not reasonably reflect the anticipated financial activity and cash balances reducing the effectiveness of the budget as a tool for monitoring or controlling disbursements. As noted in the following table, the County Commission significantly overestimated disbursements for the General Revenue Fund for the 2015, 2016, and 2017 budgets, and as a result the actual ending cash balances each year were significantly higher than the projected ending cash balances.

	Year Ended December 31,		
	2017	2016	2015
Budgeted disbursements	\$ 2,363,334	2,288,745	2,144,125
Actual disbursements	1,632,893	1,781,972	1,623,744
Budgeted over actual disbursements	\$ 730,441	506,773	520,381
Projected ending cash balance	\$ 3,565	14,545	111,869
Actual ending cash balance	880,470	672,136	738,266
Actual over projected ending cash balance	\$ 876,905	657,591	626,397

Realistic projections of the county's uses of funds are essential for the efficient management of finances and for communicating accurate financial data to county residents. Significantly overestimating anticipated disbursements is misleading to the public and prevents an accurate estimate of the county's financial condition.

Recommendations

The County Commission:

- 4.1 Require fuel meters on all bulk fuel tanks and fuel logs to be maintained, and ensure logs are reviewed for accuracy and reconciled to fuel purchases. Any significant discrepancies should be promptly investigated. In addition, the County Commission should require mileage and usage logs be maintained for all road and bridge vehicles and equipment.



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- 4.2 And the County Clerk work with the other county officials to ensure complete and accurate inventory records are maintained, annual physical inventories are conducted, and implement procedures for tracking capital asset purchases and dispositions throughout the year.
- 4.3 Ensure budgets provide reasonable estimates of anticipated disbursements and ending cash balances.

Auditee's Response

- 4.1 *We will look into placing meters on all bulk fuel tanks and ensure fuel logs are maintained for each tank, reviewed for accuracy, and reconciled, if possible, to fuel purchases. Additionally, we will ensure mileage and usage logs are maintained for all road and bridge vehicles and equipment, submitted to the road and bridge department on a periodic basis, and reviewed for reasonableness.*
- 4.2 *We agree with your recommendation and will work with the County Clerk and the other county officials to implement this recommendation.*
- 4.3 *We have revised our budget process for the upcoming fiscal year to ensure budgets provide a more reasonable estimate of anticipated disbursements and ending cash balances.*

5. Electronic Data Security

County officials have not established adequate controls over county computers. As a result, county records are not adequately protected and are susceptible to unauthorized access or loss of data.

5.1 Passwords

The Prosecuting Attorney and the County Assessor have not established adequate password controls to reduce the risk of unauthorized access to computers and data. Employees in these offices are not required to change passwords periodically to help ensure passwords remain known only to the assigned user. In addition, employees in the offices of the Prosecuting Attorney and Recorder of Deeds share passwords.

Passwords are necessary to authenticate access to computers. The security of computer passwords is dependent upon keeping them confidential. However, since passwords do not have to be periodically changed by employees in certain offices, and are shared in two offices, there is less assurance they are effectively limiting access to computers and data files to only those individuals who need access to perform their job responsibilities. Passwords should be unique, confidential, and changed periodically to reduce the risk of a compromised password and unauthorized access to and use of computers and data.

5.2 Security controls

The County Collector does not have security controls in place to lock computers after a certain number of incorrect logon attempts. Logon attempt controls lock the capability to access a computer after a specified number of



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consecutive invalid logon attempts and are necessary to prevent unauthorized individuals from continually attempting to logon to a computer by guessing passwords. Without effective security controls, there is an increased risk of unauthorized access to computers and the unauthorized use, modification, or destruction of data.

Recommendations

The County Commission work with the other county officials to:

- 5.1 Require confidential passwords for each employee that are periodically changed.
- 5.2 Ensure county computers have security controls in place to lock each computer after a specified number of incorrect logon attempts.

Auditee's Response

- 5.1 *We will work with the other county officials to ensure employee passwords are kept confidential and changed on a periodic basis, as systems will allow.*
- 5.2 *We will work with the other county officials to ensure county computers have proper security controls in place.*

6. Sunshine Law

The County Commission has not adopted a written policy regarding public access to county records as required by state law. A written policy regarding public access to county records would establish guidelines for the county to make records available to the public. This policy should identify a person to contact, provide an address to mail such requests, and establish fees that may be assessed for providing copies of public records.

Section 610.023, RSMo, lists requirements for making records available to the public. Section 610.026, RSMo, allows the county to charge fees for providing access to and/or copies of public records and provides requirements related to fees. Section 610.028, RSMo, requires a written policy regarding release of information under the Sunshine Law.

A similar condition was noted in our prior audit report.

Recommendation

The County Commission develop a written policy for access to public records.

Auditee's Response

We have already implemented this recommendation. A written policy addressing public access to county records was adopted in June 2018.

Lewis County

Organization and Statistical Information

Lewis County is a county-organized, third-class county. The county seat is Monticello.

Lewis 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 30 full-time employees and 13 part-time employees on December 31, 2017.

Elected Officials

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

Officeholder	2018	2017
Wayne Murphy, Jr., Presiding Commissioner	\$	33,032
Deanne Whiston, Associate Commissioner		30,601
Travis Fleer, Associate Commissioner		30,601
Amy Parrish, Recorder of Deeds		46,365
Chris Flanagan, County Clerk		46,365
Jules V. (Jake) DeCoster, Prosecuting Attorney		54,922
David T. Parrish, Sheriff		51,255
Bonnie Roberson, County Treasurer		46,365
Larry Arnold, County Coroner		13,403
Luke Barton, Public Administrator		46,365
Denise M. Goodwin, County Collector (1), year ended February 28,	50,900	
Craig Myers, County Assessor, year ended August 31,		46,365
Carson W. Lay, County Surveyor (2)		

(1) Includes \$4,463 of commissions earned for collecting drainage district property taxes.

(2) Compensation on a fee basis.

Other Information

The county has entered into 2 lease-purchase agreements for road and bridge equipment (two motor graders). Principal and interest payments are made from the Special Road and Bridge Fund. The final payments for the lease-purchases are scheduled to occur in 2021. The remaining principal outstanding at December 31, 2017, was \$182,378. Interest remaining to be paid over the life of the agreements totals \$13,296.