



OZARK COUNTY, MISSOURI

TWO YEARS ENDED DECEMBER 31, 1999

**From The Office Of State Auditor
Claire McCaskill**

Report No. 2000-76
August 22, 2000
www.auditor.state.mo.us

AUDIT REPORT



Office Of The
State Auditor Of Missouri
Claire McCaskill

August 2000

www.auditor.state.mo.us

IMPORTANT: The Missouri State Auditor is required by Missouri law to conduct audits only once every four years in counties, like Ozark, which do not have a county auditor. However, to assist such counties in meeting federal audit requirements, the State Auditor will also perform a financial and compliance audit of various county operating funds every two years. This voluntary service to Missouri counties can only be provided when state auditing resources are available and does not interfere with the State Auditor's constitutional responsibility of auditing state government.

Once every four years, the State Auditor's statutory audit will cover additional areas of county operations, as well as the elected county officials, as required by Missouri's Constitution.

This audit of Ozark County was a financial and compliance audit of various county operating funds.

The audit includes some matters upon which the county should consider and take appropriate corrective action.

Copies of the audit are available upon request.

YELLOW SHEET

OZARK COUNTY, MISSOURI

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FINANCIAL SECTION

State Auditor's Reports



CLAIRE C. McCASKILL
Missouri State Auditor

INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL
STATEMENTS AND SUPPLEMENTARY SCHEDULE OF
EXPENDITURES OF FEDERAL AWARDS

To the County Commission
and
Officeholders of Ozark County, Missouri

We have audited the accompanying special-purpose financial statements of various funds of Ozark County, Missouri, as of and for the years ended December 31, 1999 and 1998, as identified in the table of contents. These special-purpose financial statements are the responsibility of the county's management. Our responsibility is to express an opinion on these special-purpose financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the special-purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the special-purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

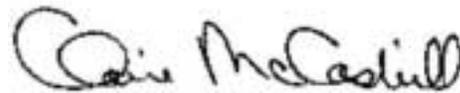
The accompanying special-purpose financial statements were prepared for the purpose of presenting the receipts, disbursements, and changes in cash of various funds of Ozark County, Missouri, and comparisons of such information with the corresponding budgeted information for various funds of the county and are not intended to be a complete presentation of the financial position and results of operations of those funds or of Ozark County.

In our opinion, the special-purpose financial statements referred to in the first paragraph present fairly, in all material respects, the receipts, disbursements, and changes in cash of various funds of Ozark County, Missouri, and comparisons of such information with the corresponding budgeted information for various funds of the county as of and for the years ended December 31,

1999 and 1998, in conformity with the comprehensive basis of accounting discussed in Note 1, which is a basis of accounting other than generally accepted accounting principles.

In accordance with *Government Auditing Standards*, we also have issued our report dated April 6, 2000, on our consideration of the county's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grants.

The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget (OMB) Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the special-purpose financial statements. Such information has been subjected to the auditing procedures applied in the audit of the special-purpose financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the special-purpose financial statements taken as a whole.



Claire McCaskill
State Auditor

April 6, 2000 (fieldwork completion date)

The following auditors participated in the preparation of this report:

Director of Audits:	Thomas J. Kremer, CPA
Audit Manager:	John Blattel, CPA
In-Charge Auditor:	David Martin, CPA
Audit Staff:	Mark Rodabaugh Jennifer Roderick



CLAIRE C. McCASKILL
Missouri State Auditor

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE
AND ON INTERNAL CONTROL OVER FINANCIAL REPORTING
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED
IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

To the County Commission
and
Officeholders of Ozark County, Missouri

We have audited the special-purpose financial statements of various funds of Ozark County, Missouri, as of and for the years ended December 31, 1999 and 1998, and have issued our report thereon dated April 6, 2000. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

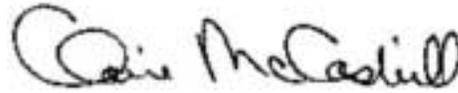
As part of obtaining reasonable assurance about whether the special-purpose financial statements of various funds of Ozark County, Missouri, are free of material misstatement, we performed tests of the county's compliance with certain provisions of laws, regulations, contracts, and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*. However, we noted an immaterial instance of noncompliance, which we have reported to the management of the county in the accompanying Letter on Other Matters.

Internal Control Over Financial Reporting

In planning and performing our audit of the special-purpose financial statements of various funds of Ozark County, Missouri, we considered the county's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the special-purpose financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not

necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the special-purpose financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses. However, we noted another matter involving the internal control over financial reporting which we have reported to the management of the county in the accompanying Letter on Other Matters.

This report is intended for the information of the management of Ozark County, Missouri; federal awarding agencies and pass-through entities; and other applicable government officials. However, this report is a matter of public record and its distribution is not limited.

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

Claire McCaskill
State Auditor

April 6, 2000 (fieldwork completion date)

Financial Statements

Exhibit A-1

OZARK COUNTY, MISSOURI
 STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - VARIOUS FUNDS
 YEAR ENDED DECEMBER 31, 1999

Fund	Cash, January 1	Receipts	Disbursements	Cash, December 31
General Revenue	\$ 111	994,616	973,076	21,651
Special Road and Bridge	51,253	882,638	884,414	49,477
Assessment	15	125,052	124,987	80
Law Enforcement Training	1,126	3,320	2,068	2,378
Prosecuting Attorney Training	1,237	390	535	1,092
Prosecuting Attorney Bad Check	2,476	2,649	2,057	3,068
Capial Improvements Sales Tax	109,894	238,332	214,950	133,276
Project #97 PF-21	0	326,280	326,280	0
Associate Circuit Court Interest	(6)	520	514	0
Circuit Clerk Interest	2,060	1,003	2,250	813
Law Library	1,332	1,186	154	2,364
Recorder User Fee	16,052	6,737	2,544	20,245
Health Center	66,755	540,269	549,162	57,862
Sheriff's Equipment	51	0	0	51
Children of Domestic Violence	0	390	130	260
War Memorial	469	0	100	369
Total	\$ 252,825	3,123,382	3,083,221	292,986

The accompanying Notes to the Financial Statements are an integral part of this statement.

Exhibit A-2

OZARK COUNTY, MISSOURI
 STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - VARIOUS FUNDS
 YEAR ENDED DECEMBER 31, 1998

Fund	Cash, January 1	Receipts	Disbursements	Cash, December 31
General Revenue	\$ 1,573	1,026,618	1,028,080	111
Special Road and Bridge	2,321	862,217	813,285	51,253
Assessment	5	116,041	116,031	15
Law Enforcement Training	425	2,285	1,584	1,126
Prosecuting Attorney Training	1,288	421	472	1,237
Prosecuting Attorney Bad Check	2,836	2,466	2,826	2,476
Capial Improvements Sales Tax	164,656	216,192	270,954	109,894
Project #97 PF-21	0	23,400	23,400	0
Associate Circuit Court Interest	2,374	862	3,242	(6)
Circuit Clerk Interest	1,230	2,165	1,335	2,060
Law Library	229	1,535	432	1,332
Recorder User Fee	10,931	6,268	1,147	16,052
Health Center	79,972	557,617	570,834	66,755
Sheriff's Equipment	51	0	0	51
Children of Domestic Violence	215	355	570	0
War Memorial	469	0	0	469
Total	\$ 268,575	2,818,442	2,834,192	252,825

The accompanying Notes to the Financial Statements are an integral part of this statement.

Exhibit B

OZARK COUNTY, MISSOURI
 COMPARATIVE STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL
 GENERAL REVENUE FUND

	Year Ended December 31,					
	1999			1998		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
RECEIPTS						
Property taxes	\$ 109,700	106,408	(3,292)	109,100	101,395	(7,705)
Sales taxes	430,000	472,266	42,266	440,000	419,697	(20,303)
Intergovernmental	71,113	136,785	65,672	78,622	112,735	34,113
Charges for services	129,100	131,419	2,319	126,200	124,373	(1,827)
Interest	2,800	2,053	(747)	2,000	3,035	1,035
Other	117,095	101,436	(15,659)	152,798	143,479	(9,319)
Transfers in	139,000	44,249	(94,751)	106,250	121,904	15,654
Total Receipts	998,808	994,616	(4,192)	1,014,970	1,026,618	11,648
DISBURSEMENTS						
County Commission	61,224	61,293	(69)	52,750	54,013	(1,263)
County Clerk	47,420	46,370	1,050	47,464	45,067	2,397
Elections	21,310	20,307	1,003	38,120	32,905	5,215
Buildings and grounds	49,650	39,915	9,735	45,894	55,993	(10,099)
Employee fringe benefits	107,930	118,411	(10,481)	90,700	104,477	(13,777)
County Treasurer	22,362	22,547	(185)	20,120	19,579	541
County Collector	50,000	47,133	2,867	46,004	43,147	2,857
Ex Officio Recorder of Deeds	26,308	18,929	7,379	25,760	24,549	1,211
Associate Circuit Court	12,280	5,600	6,680	12,110	5,982	6,128
Court administration	4,826	4,571	255	4,659	4,917	(258)
Public Administrator	12,820	14,186	(1,366)	14,700	17,967	(3,267)
Sheriff	251,135	239,457	11,678	262,372	219,730	42,642
Jail	109,601	99,640	9,961	120,264	123,371	(3,107)
Prosecuting Attorney	58,765	54,421	4,344	62,140	56,349	5,791
Juvenile Officer	24,879	22,130	2,749	32,520	31,730	790
County Coroner	9,075	16,686	(7,611)	13,127	9,176	3,951
Recycling	35,966	43,255	(7,289)	42,000	39,858	2,142
IVD	18,644	17,037	1,607	0	32,034	(32,034)
LEPC	1,368	1,368	0	0	0	0
Emergency Management	1,000	1,252	(252)	0	2,705	(2,705)
Debt service	0	0	0	12,000	0	12,000
Other	58,200	52,903	5,297	66,770	75,047	(8,277)
Transfers out	59,291	25,665	33,626	52,390	29,484	22,906
Emergency Fund	29,865	0	29,865	27,300	0	27,300
Total Disbursements	1,073,919	973,076	100,843	1,089,164	1,028,080	61,084
RECEIPTS OVER (UNDER) DISBURSEMENTS	(75,111)	21,540	96,651	(74,194)	(1,462)	72,732
CASH, JANUARY 1	111	111	0	1,573	1,573	0
CASH, DECEMBER 31	\$ (75,000)	21,651	96,651	(72,621)	111	72,732

The accompanying Notes to the Financial Statements are an integral part of this statement.

Exhibit C

OZARK COUNTY, MISSOURI
 COMPARATIVE STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL
 SPECIAL ROAD AND BRIDGE FUND

	Year Ended December 31,					
	1999			1998		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
RECEIPTS						
Property taxes	\$ 157,200	153,268	(3,932)	135,000	151,417	16,417
Intergovernmental	668,560	699,815	31,255	635,700	690,189	54,489
Charges for services	8,000	22,496	14,496	6,500	10,938	4,438
Interest	3,500	2,331	(1,169)	3,500	3,143	(357)
Other	1,800	4,728	2,928	3,000	6,530	3,530
Total Receipts	<u>839,060</u>	<u>882,638</u>	<u>43,578</u>	<u>783,700</u>	<u>862,217</u>	<u>78,517</u>
DISBURSEMENTS						
Salaries	295,000	296,074	(1,074)	290,000	284,862	5,138
Employee fringe benefits	69,500	68,135	1,365	65,500	74,640	(9,140)
Supplies	56,000	40,831	15,169	62,000	51,759	10,241
Insurance	19,000	22,793	(3,793)	19,000	8,536	10,464
Road and bridge materials	106,000	123,294	(17,294)	101,000	122,977	(21,977)
Equipment repairs	91,000	80,706	10,294	100,000	101,656	(1,656)
Equipment purchases	108,461	94,457	14,004	24,500	56,893	(32,393)
Construction, repair, and maintenance	95,002	114,971	(19,969)	73,700	76,457	(2,757)
Other	18,350	16,603	1,747	15,950	12,505	3,445
Transfers out	27,000	26,550	450	23,000	23,000	0
Total Disbursements	<u>885,313</u>	<u>884,414</u>	<u>899</u>	<u>774,650</u>	<u>813,285</u>	<u>(38,635)</u>
RECEIPTS OVER (UNDER) DISBURSEMENTS	(46,253)	(1,776)	44,477	9,050	48,932	39,882
CASH, JANUARY 1	51,253	51,253	0	2,321	2,321	0
CASH, DECEMBER 31	<u>\$ 5,000</u>	<u>49,477</u>	<u>44,477</u>	<u>11,371</u>	<u>51,253</u>	<u>39,882</u>

The accompanying Notes to the Financial Statements are an integral part of this statement.

Exhibit D

OZARK COUNTY, MISSOURI
 COMPARATIVE STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL
 ASSESSMENT FUND

	Year Ended December 31,					
	1999			1998		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
RECEIPTS						
Intergovernmental	\$ 71,110	93,415	22,305	71,000	86,117	15,117
Charges for services	250	0	(250)	250	0	(250)
Interest	250	260	10	210	302	92
Other	0	36	36	0	138	138
Transfers in	59,291	31,341	(27,950)	52,390	29,484	(22,906)
Total Receipts	<u>130,901</u>	<u>125,052</u>	<u>(5,849)</u>	<u>123,850</u>	<u>116,041</u>	<u>(7,809)</u>
DISBURSEMENTS						
Assessor	130,916	124,987	5,929	123,850	116,031	7,819
Total Disbursements	<u>130,916</u>	<u>124,987</u>	<u>5,929</u>	<u>123,850</u>	<u>116,031</u>	<u>7,819</u>
RECEIPTS OVER (UNDER) DISBURSEMENTS	(15)	65	80	0	10	10
CASH, JANUARY 1	15	15	0	5	5	0
CASH, DECEMBER 31	<u>\$ 0</u>	<u>80</u>	<u>80</u>	<u>5</u>	<u>15</u>	<u>10</u>

The accompanying Notes to the Financial Statements are an integral part of this statement.

Exhibit E

OZARK COUNTY, MISSOURI
 COMPARATIVE STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL
 LAW ENFORCEMENT TRAINING FUND

	Year Ended December 31,					
	1999			1998		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
RECEIPTS						
Charges for services	\$ 2,300	3,320	1,020	2,600	2,285	(315)
Total Receipts	2,300	3,320	1,020	2,600	2,285	(315)
DISBURSEMENTS						
Sheriff	3,000	2,068	932	3,000	1,584	1,416
Total Disbursements	3,000	2,068	932	3,000	1,584	1,416
RECEIPTS OVER (UNDER) DISBURSEMENTS	(700)	1,252	1,952	(400)	701	1,101
CASH, JANUARY 1	1,126	1,126	0	425	425	0
CASH, DECEMBER 31	\$ 426	2,378	1,952	25	1,126	1,101

The accompanying Notes to the Financial Statements are an integral part of this statement.

Exhibit F

OZARK COUNTY, MISSOURI
 COMPARATIVE STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL
 PROSECUTING ATTORNEY TRAINING FUND

	Year Ended December 31,					
	1999			1998		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
RECEIPTS						
Charges for services	\$ 700	390	(310)	600	421	(179)
Total Receipts	700	390	(310)	600	421	(179)
DISBURSEMENTS						
Prosecuting Attorney	1,000	535	465	0	472	(472)
Total Disbursements	1,000	535	465	0	472	(472)
RECEIPTS OVER (UNDER) DISBURSEMENTS	(300)	(145)	155	600	(51)	(651)
CASH, JANUARY 1	1,237	1,237	0	1,288	1,288	0
CASH, DECEMBER 31	\$ 937	1,092	155	1,888	1,237	(651)

The accompanying Notes to the Financial Statements are an integral part of this statement.

Exhibit G

OZARK COUNTY, MISSOURI
 COMPARATIVE STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL
 PROSECUTING ATTORNEY BAD CHECK FUND

	Year Ended December 31,					
	1999			1998		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
RECEIPTS						
Charges for services	\$ 2,450	2,649	199	2,300	2,466	166
Total Receipts	2,450	2,649	199	2,300	2,466	166
DISBURSEMENTS						
Prosecuting Attorney	2,600	2,057	543	3,200	2,826	374
Total Disbursements	2,600	2,057	543	3,200	2,826	374
RECEIPTS OVER (UNDER) DISBURSEMENTS	(150)	592	742	(900)	(360)	540
CASH, JANUARY 1	2,476	2,476	0	2,836	2,836	0
CASH, DECEMBER 31	\$ 2,326	3,068	742	1,936	2,476	540

The accompanying Notes to the Financial Statements are an integral part of this statement.

Exhibit H

OZARK COUNTY, MISSOURI
 COMPARATIVE STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL
 CAPITAL IMPROVEMENTS SALES TAX FUND

	Year Ended December 31,					
	1999			1998		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
RECEIPTS						
Sales taxes	\$ 210,300	235,507	25,207	208,000	212,795	4,795
Interest	2,700	2,825	125	3,000	3,397	397
Total Receipts	<u>213,000</u>	<u>238,332</u>	<u>25,332</u>	<u>211,000</u>	<u>216,192</u>	<u>5,192</u>
DISBURSEMENTS						
Payments on jail bonds	165,000	190,717	(25,717)	175,000	172,050	2,950
Jail expenses	0	858	(858)	0	0	0
Courthouse renovations	0	0	0	12,000	0	12,000
Transfers out	98,000	23,375	74,625	70,500	98,904	(28,404)
Total Disbursements	<u>263,000</u>	<u>214,950</u>	<u>48,050</u>	<u>257,500</u>	<u>270,954</u>	<u>(13,454)</u>
RECEIPTS OVER (UNDER) DISBURSEMENTS	(50,000)	23,382	73,382	(46,500)	(54,762)	(8,262)
CASH, JANUARY 1	109,894	109,894	0	164,656	164,656	0
CASH, DECEMBER 31	<u>\$ 59,894</u>	<u>133,276</u>	<u>73,382</u>	<u>118,156</u>	<u>109,894</u>	<u>(8,262)</u>

The accompanying Notes to the Financial Statements are an integral part of this statement.

Exhibit I

OZARK COUNTY, MISSOURI
 COMPARATIVE STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL
 PROJECT #97 PF-21 FUND

	Year Ended December 31,					
	1999			1998		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
RECEIPTS						
Intergovernmental	\$ 466,300	326,280	(140,020)	936,300	23,400	(912,900)
Total Receipts	466,300	326,280	(140,020)	936,300	23,400	(912,900)
DISBURSEMENTS						
Bridge construction	466,300	326,280	140,020	936,300	23,400	912,900
Total Disbursements	466,300	326,280	140,020	936,300	23,400	912,900
RECEIPTS OVER (UNDER) DISBURSEMENTS	0	0	0	0	0	0
CASH, JANUARY 1	0	0	0	0	0	0
CASH, DECEMBER 31	\$ 0	0	0	0	0	0

The accompanying Notes to the Financial Statements are an integral part of this statement.

Exhibit J

OZARK COUNTY, MISSOURI
 STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL
 ASSOCIATE CIRCUIT COURT INTEREST FUND

	Year Ended December 31,		
	1999		
	Budget	Actual	Variance Favorable (Unfavorable)
RECEIPTS			
Interest	\$ 500	520	20
Total Receipts	500	520	20
DISBURSEMENTS			
Associate Circuit Court	500	84	416
Remittances to General Revenue Fund	0	430	(430)
Total Disbursements	500	514	(14)
RECEIPTS OVER (UNDER) DISBURSEMENTS	0	6	6
CASH, JANUARY 1	280	(6)	(286)
CASH, DECEMBER 31	\$ 280	0	(280)

The accompanying Notes to the Financial Statements are an integral part of this statement.

Exhibit K

OZARK COUNTY, MISSOURI
 STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL
 CIRCUIT CLERK INTEREST FUND

	Year Ended December 31,		
	1999		
	Budget	Actual	Variance Favorable (Unfavorable)
RECEIPTS			
Interest	\$ 720	1,003	283
Total Receipts	720	1,003	283
DISBURSEMENTS			
Circuit Clerk	2,700	2,250	450
Total Disbursements	2,700	2,250	450
RECEIPTS OVER (UNDER) DISBURSEMENTS	(1,980)	(1,247)	733
CASH, JANUARY 1	2,056	2,060	4
CASH, DECEMBER 31	\$ 76	813	737

The accompanying Notes to the Financial Statements are an integral part of this statement.

Exhibit L

OZARK COUNTY, MISSOURI
 STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL
 LAW LIBRARY FUND

	Year Ended December 31,		
	1999		
	Budget	Actual	Variance Favorable (Unfavorable)
RECEIPTS			
Charges for services	\$ 1,200	1,186	(14)
Total Receipts	1,200	1,186	(14)
DISBURSEMENTS			
Law Library	500	154	346
Total Disbursements	500	154	346
RECEIPTS OVER (UNDER) DISBURSEMENTS	700	1,032	332
CASH, JANUARY 1	1,270	1,332	62
CASH, DECEMBER 31	\$ 1,970	2,364	394

The accompanying Notes to the Financial Statements are an integral part of this statement.

Exhibit M

OZARK COUNTY, MISSOURI
 STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL
 RECORDER USER FEE FUND

	Year Ended December 31,		
	1999		
	Budget	Actual	Variance Favorable (Unfavorable)
RECEIPTS			
Charges for services	\$ 5,500	6,320	820
Interest	0	417	417
Total Receipts	5,500	6,737	1,237
DISBURSEMENTS			
Ex Officio Recorder of Deeds	1,200	2,544	(1,344)
Total Disbursements	1,200	2,544	(1,344)
RECEIPTS OVER (UNDER) DISBURSEMENTS	4,300	4,193	(107)
CASH, JANUARY 1	15,508	16,052	544
CASH, DECEMBER 31	\$ 19,808	20,245	437

The accompanying Notes to the Financial Statements are an integral part of this statement.

Exhibit N

OZARK COUNTY, MISSOURI
 COMPARATIVE STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL
 HEALTH CENTER FUND

	Year Ended December 31,					
	1999			1998		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
RECEIPTS						
Property taxes	\$ 65,000	61,108	(3,892)	60,000	60,341	341
Intergovernmental	433,500	401,634	(31,866)	333,000	407,611	74,611
Charges for services	85,000	73,579	(11,421)	90,000	87,526	(2,474)
Interest	3,000	3,948	948	1,500	2,139	639
Total Receipts	<u>586,500</u>	<u>540,269</u>	<u>(46,231)</u>	<u>484,500</u>	<u>557,617</u>	<u>73,117</u>
DISBURSEMENTS						
Salaries	292,800	286,384	6,416	289,000	274,476	14,524
Office expenditures	13,000	14,391	(1,391)	8,500	11,912	(3,412)
Supplies	16,000	15,701	299	15,000	14,827	173
Mileage and training	35,000	26,419	8,581	35,000	32,736	2,264
Contractual payments	200,000	191,734	8,266	75,000	210,791	(135,791)
Other	29,000	14,628	14,372	24,000	25,997	(1,997)
Total Disbursements	<u>585,800</u>	<u>549,257</u>	<u>36,543</u>	<u>446,500</u>	<u>570,739</u>	<u>(124,239)</u>
RECEIPTS OVER (UNDER) DISBURSEMENTS	700	(8,988)	(9,688)	38,000	(13,122)	(51,122)
CASH, JANUARY 1	66,745	66,850	105	79,957	79,972	15
CASH, DECEMBER 31	<u>\$ 67,445</u>	<u>57,862</u>	<u>(9,583)</u>	<u>117,957</u>	<u>66,850</u>	<u>(51,107)</u>

The accompanying Notes to the Financial Statements are an integral part of this statement.

Notes to the Financial Statements

OZARK COUNTY, MISSOURI

NOTES TO THE FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies

A. Reporting Entity and Basis of Presentation

The accompanying special-purpose financial statements present the receipts, disbursements, and changes in cash of various funds of Ozark County, Missouri, and comparisons of such information with the corresponding budgeted information for various funds of the county. The funds presented are established under statutory or administrative authority, and their operations are under the control of the County Commission, an elected county official, or the Health Center Board. The General Revenue Fund is the county's general operating fund, accounting for all financial resources except those required to be accounted for in another fund. The other funds presented account for financial resources whose use is restricted for specified purposes.

B. Basis of Accounting

The financial statements are prepared on the cash basis of accounting; accordingly, amounts are recognized when received or disbursed in cash. This basis of accounting differs from generally accepted accounting principles, which require revenues to be recognized when they become available and measurable or when they are earned and expenditures or expenses to be recognized when the related liabilities are incurred.

C. Budgets and Budgetary Practices

The County Commission and other applicable boards are responsible for the preparation and approval of budgets for various county funds in accordance with Sections 50.525 through 50.745, RSMo 1994 and RSMo Cumulative Supp. 1999, the county budget law. These budgets are adopted on the cash basis of accounting.

Although adoption of a formal budget is required by law, the county did not adopt formal budgets for the following funds:

<u>Fund</u>	<u>Years Ended December 31,</u>
Sheriff's Equipment Fund	1999 and 1998
Children of Domestic Violence Fund	1999 and 1998
War Memorial Fund	1999 and 1998
Associate Circuit Court Interest Fund	1998
Circuit Clerk Interest Fund	1998
Law Library Fund	1998
Recorder User Fee Fund	1998

Warrants issued were in excess of budgeted amounts for the following funds:

<u>Fund</u>	<u>Years Ended December 31,</u>
Associate Circuit Court Interest Fund	1999
Recorder User Fee Fund	1999
Special Road and Bridge Fund	1998
Prosecuting Attorney Training Fund	1998
Capital Improvements Sales Tax Fund	1998
Health Center Fund	1998

Section 50.740, RSMo 1994, prohibits expenditures in excess of the approved budgets.

Deficit budget balances are presented for the General Revenue Fund for the years ended December 31, 1999 and 1998. However, the budgets of that fund also included other resources available to finance current or future year disbursements. Generally, other available net resources represented current year property taxes not received before December 31. Such resources were sufficient to offset the deficit budget balances presented.

D. Published Financial Statements

Under Sections 50.800 and 50.810, RSMo 1994, the County Commission is responsible for preparing and publishing in a local newspaper a detailed annual financial statement for the county. The financial statement is required to show receipts or revenues, disbursements or expenditures, and beginning and ending balances for each fund.

However, the county's published financial statements for the years ended December 31, 1999 and 1998, did not include the Health Center Fund.

2. Cash

Section 110.270, RSMo 1994, based on Article IV, Section 15, Missouri Constitution, authorizes counties to place their funds, either outright or by repurchase agreement, in U.S.

Treasury and agency obligations. In addition, Section 30.950, RSMo Cumulative Supp. 1999, requires political subdivisions with authority to invest in instruments other than depository accounts at financial institutions to adopt a written investment policy. Among other things, the policy is to commit a political subdivision to the principles of safety, liquidity, and yield (in that order) when managing public funds and to prohibit purchase of derivatives (either directly or through repurchase agreements), use of leveraging (through either reverse repurchase agreements or other methods), and use of public funds for speculation. The county has adopted such a policy. The policy permits investment in securities having principal and interest guaranteed by the United States government and collateralized time and demand deposits.

In accordance with Statement No. 3 of the Governmental Accounting Standards Board, *Deposits with Financial Institutions, Investments (Including Repurchase Agreements), and Reverse Repurchase Agreements*, disclosures are provided below regarding the risk of potential loss of cash deposits. For the purposes of these disclosures, deposits with financial institutions are demand, time, and savings accounts, including certificates of deposit and negotiable order of withdrawal accounts, in banks, savings institutions, and credit unions.

The county's and the Health Center Board's deposits at December 31, 1999 and 1998, were entirely covered by federal depository insurance or by collateral securities held by the county's or board's custodial bank in the county's or board's name.

Supplementary Schedule

Schedule

OZARK COUNTY, MISSOURI
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Federal CFDA Number	Federal Grantor/Pass-Through Grantor/Program Title	Pass-Through Entity Identifying Number	Federal Expenditures	
			Year Ended December 31,	
			1999	1998
U. S. DEPARTMENT OF AGRICULTURE				
Passed through state:				
Department of Health -				
10.557	Special Supplemental Nutrition Program for Women, Infants, and Children	ER0045-8177 ER0045-9177 ER0045-0177	0 18,005 12,356	22,587 7,117 0
	Program Total		<u>30,361</u>	<u>29,704</u>
Office of Administration -				
10.665	Schools and Roads - Grants to States	N/A	59,920	51,599
U.S. DEPARTMENT OF DEFENSE				
Passed through state:				
Office of Administration -				
12.112	Payments to States in Lieu of Real Estate Taxes	N/A	26,094	14,388
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT				
Passed through state:				
Department of Economic Development -				
14.228	Community Development Block Grants/State's Program	97-PF-21	326,280	23,400
U.S. DEPARTMENT OF JUSTICE				
Direct programs:				
16.710	Public Safety Partnership and Community Policing Grants	N/A	34,263	5,866
Passed through:				
State Department of Public Safety -				
16.579	Byrne Formula Grant Program	97-NCD15B-123	3,429	0
16.592	Local Law Enforcement Block Grants Program	N/A	0	9,000
Missouri Sheriffs' Association -				
16.unknown	Domestic Cannabis Eradication/Suppression Program	N/A	2,278	1,462

Schedule

OZARK COUNTY, MISSOURI
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Federal CFDA Number	Federal Grantor/Pass-Through Grantor/Program Title	Pass-Through Entity Identifying Number	Federal Expenditures	
			Year Ended December 31,	
			1999	1998
U. S. DEPARTMENT OF TRANSPORTATION				
Passed through state Highway and Transportation Commission:				
20.205	Highway Planning and Construction	BRO-077(7)	20,201	22,445
GENERAL SERVICES ADMINISTRATION				
Passed through state Office of Administration -				
39.003	Donation of Federal Surplus Personal Property	2450	999	2,738
U. S. DEPARTMENT OF HEALTH AND HUMAN SERVICES				
Direct program -				
93.268	Immunization Grants	N/A	344	1,720
Passed through state:				
Department of Health -				
93.197	Childhood Lead Poisoning Prevention Projects - State and Community-Based Childhood Lead Poisoning Prevention and Surveillance of Blood Lead Levels in Children	ER0146-0177CLPP ER0146-9145CLPP	120 369	0 0
	Program Total		<u>489</u>	<u>0</u>
93.268	Immunization Grants	PG0064-8177IAP PG0064-9177IAP PG0064-8145IAP PG0064-9145IAP N/A	0 2,550 0 2,435 9,442	2,835 0 14,505 0 8,744
	Program Total		<u>14,427</u>	<u>26,084</u>
Department of Social Services -				
93.563	Child Support Enforcement	N/A	7,341	10,574
Department of Health -				
93.575	Child Care and Development Block Grant	ER0146-9177CCH&SCS ER0146-0177CCH&SCS PGA067-0177C PG0067-8177 PG0067-9177 PG0067-0177	865 135 230 0 660 135	215 0 0 615 171 0
	Program Total		<u>2,025</u>	<u>1,001</u>

Schedule

OZARK COUNTY, MISSOURI
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Federal CFDA Number	Federal Grantor/Pass-Through Grantor/Program Title	Pass-Through Entity Identifying Number	Federal Expenditures	
			Year Ended December 31,	
			1999	1998
93.919	Cooperative Agreements for State-Based Comprehensive Breast and Cervical Cancer Early Detection Programs	N/A	5,131	1,893
93.991	Preventive Health and Health Services Block Grant	N/A	113	227
93.994	Maternal and Child Health Services Block Grant to the States	ER0146-8177MCH	0	13,238
		ER0146-9177MCH	8,611	2,232
		ER0146-0177MCH	5,802	0
		ER0146-8145MCH	0	23,990
		ER0146-9145MCH	23,283	2,566
		ER0146-0145MCH	10,478	0
		ER0175-8177FP	0	2,622
		ER0175-9177FP	1,829	1,001
		ER0175-0177FP	587	0
		N/A	562	795
	Program Total		<u>51,152</u>	<u>46,444</u>
	Total Expenditures of Federal Awards		<u>\$ 584,847</u>	<u>248,545</u>

N/A - Not applicable

The accompanying Notes to the Schedule of Expenditures of Federal Awards are an integral part of this schedule.

Notes to the Supplementary Schedule

OZARK COUNTY, MISSOURI
NOTES TO THE SUPPLEMENTARY SCHEDULE

1. Summary of Significant Accounting Policies

A. Purpose of Schedule and Reporting Entity

The accompanying Schedule of Expenditures of Federal Awards has been prepared to comply with the requirements of OMB Circular A-133. This circular requires a schedule that provides total federal awards expended for each federal program and the Catalog of Federal Domestic Assistance (CFDA) number or other identifying number when the CFDA information is not available.

The schedule includes all federal awards administered by Ozark County, Missouri.

B. Basis of Presentation

OMB Circular A-133 includes these definitions, which govern the contents of the schedule:

Federal financial assistance means assistance that non-Federal entities receive or administer in the form of grants, loans, loan guarantees, property (including donated surplus property), cooperative agreements, interest subsidies, insurance, food commodities, direct appropriations, and other assistance, but does not include amounts received as reimbursement for services rendered to individuals

Federal award means Federal financial assistance and Federal cost-reimbursement contracts that non-Federal entities receive directly from Federal awarding agencies or indirectly from pass-through entities. It does not include procurement contracts, under grants or contracts, used to buy goods or services from vendors.

Accordingly, the schedule includes expenditures of both cash and noncash awards.

C. Basis of Accounting

Except as noted below, the schedule is presented on the cash basis of accounting, which recognizes amounts only when disbursed in cash.

Amounts for the Donation of Federal Surplus Personal Property (CFDA number 39.003) represent the estimated fair market value of property at the time of receipt.

The direct program amounts for Immunization Grants (CFDA number 93.268) represent the original acquisition cost of varicella (chicken pox) vaccine provided to the Health Center through the Centers for Disease Control of the U.S. Department of Health and Human Services. Of the pass-through amounts for that program, \$9,442 and \$8,744 represent the original acquisition cost of other vaccines purchased by the Centers for Disease Control but distributed to the Health Center through the state Department of Health during the years ended December 31, 1999 and 1998. Of the amounts for the Preventive Health and Health Services Block Grant (CFDA number 93.991), \$113 and \$227 represent the original acquisition cost of vaccines received by the Health Center through the state Department of Health during the years ended December 31, 1999 and 1998. Of the amounts for the Maternal and Child Health Services Block Grant to the States (CFDA number 93.994), \$562 and \$795 also represent the original acquisition cost of vaccines received by the Health Center through the state Department of Health during the years ended December 31, 1999 and 1998. The remaining pass-through amounts for Immunization Grants, the Preventive Health and Health Services Block Grant, and the Maternal and Child Health Services Block Grant to the States represent cash disbursements.

2. Subrecipients

Of the federal expenditures presented in the schedule, the county provided federal awards to subrecipients as follows:

<u>Federal CFDA Number</u>	<u>Program Title</u>	<u>Amount Provided</u>	
		<u>1999</u>	<u>1998</u>
93.197	Childhood Lead Poisoning Prevention Projects-State and Community-Based Childhood Lead Poisoning Prevention and Surveillance of Blood Lead Levels in Children	369	0
93.268	Immunization Grants	2,435	14,505
93.994	Maternal and Child Health Services Block Grant to the States	33,761	26,556

FEDERAL AWARDS -
SINGLE AUDIT SECTION

State Auditor's Report



CLAIRE C. McCASKILL
Missouri State Auditor

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH
REQUIREMENTS APPLICABLE TO EACH MAJOR PROGRAM AND ON INTERNAL
CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

To the County Commission
and
Officeholders of Ozark County, Missouri

Compliance

We have audited the compliance of Ozark County, Missouri, with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the years ended December 31, 1999 and 1998. The county's major federal programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the county's management. Our responsibility is to express an opinion on the county's compliance based on our audit.

We conducted our audit of compliance in accordance with generally accepted auditing standards; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the county's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of the county's compliance with those requirements.

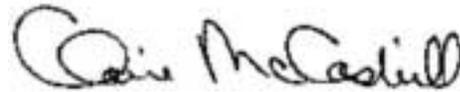
In our opinion, Ozark County, Missouri, complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the years ended December 31, 1999 and 1998.

Internal Control Over Compliance

The management of Ozark County, Missouri, is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the county's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on the internal control over compliance in accordance with OMB Circular A-133.

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with the applicable requirements of laws, regulations, contracts, and grants that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over compliance and its operation that we consider to be material weaknesses.

This report is intended for the information of the management of Ozark County, Missouri; federal awarding agencies and pass-through entities; and other applicable government officials. However, this report is a matter of public record and its distribution is not limited.



Claire McCaskill
State Auditor

April 6, 2000 (fieldwork completion date)

Schedule

OZARK COUNTY, MISSOURI
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS
 (INCLUDING MANAGEMENT'S PLAN FOR CORRECTIVE ACTION)
 YEARS ENDED DECEMBER 31, 1999 AND 1998

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued: Unqualified

Internal control over financial reporting:

Material weaknesses identified? _____ yes x no

Reportable conditions identified that are not considered to be material weaknesses? _____ yes x none reported

Noncompliance material to the financial statements noted? _____ yes x no

Federal Awards

Internal control over major programs:

Material weaknesses identified? _____ yes x no

Reportable conditions identified that are not considered to be material weaknesses? _____ yes x none reported

Type of auditor's report issued on compliance for major programs: Unqualified

Any audit findings disclosed that are required to be reported in accordance with Section .510(a) of OMB Circular A-133? _____ yes x no

Identification of major programs:

<u>CFDA or Other Identifying Number</u>	<u>Program Title</u>
10.665	Schools and Roads – Grants to States
14.228	Community Development Block Grant/State's Program

Dollar threshold used to distinguish between Type A and Type B programs:

\$300,000

Auditee qualified as a low-risk auditee?

_____ yes x no

Section II - Financial Statement Findings

This section includes no audit findings that *Government Auditing Standards* requires to be reported for an audit of financial statements.

Section III - Federal Award Findings and Questioned Costs

This section includes no audit findings that Section .510(a) of OMB Circular A-133 requires to be reported for an audit of federal awards.

Follow-Up on Prior Audit Findings for an
Audit of Financial Statements Performed in Accordance
With *Government Auditing Standards*

OZARK COUNTY, MISSOURI
FOLLOW-UP ON PRIOR AUDIT FINDINGS FOR AN
AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE
WITH *GOVERNMENT AUDITING STANDARDS*

Our prior audit report issued for the three years ended December 31, 1997, included no audit findings that *Government Auditing Standards* requires to be reported for an audit of financial statements.

Summary Schedule of Prior Audit Findings
in Accordance With OMB Circular A-133

OZARK COUNTY, MISSOURI
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
IN ACCORDANCE WITH OMB CIRCULAR A-133

Section .315 of OMB Circular A-133 requires the auditee to prepare a Summary Schedule of Prior Audit Findings to report the status of all findings that are relative to federal awards and included in the prior audit report's Schedule of Findings and Questioned Costs. The summary schedule also must include findings reported in the prior audit's Summary Schedule of Prior Audit Findings, except those listed as corrected, no longer valid, or not warranting further action.

Section .500(e) of OMB Circular A-133 requires the auditor to follow up on these prior audit findings; to perform procedures to assess the reasonableness of the Summary Schedule of Prior Audit Findings; and to report, as a current year finding, when the auditor concludes that the schedule materially misrepresents the status of any prior findings.

Our prior audit report issued for the three years ended December 31, 1997, included no audit findings that Section .510(a) of OMB Circular A-133 requires to be reported for an audit of federal awards.

SECTION ON OTHER MATTERS

OZARK COUNTY, MISSOURI
LETTER ON OTHER MATTERS

We have audited the special-purpose financial statements of various funds of Ozark County, Missouri, as of and for the years ended December 31, 1999 and 1998, and have issued our report thereon dated April 6, 2000. We also have audited the compliance of Ozark County, Missouri, with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the years ended December 31, 1999 and 1998, and have issued our report thereon dated April 6, 2000.

We did not review the operations of elected officials with funds other than those presented in the special-purpose financial statements. The operations of such officials will be reviewed and reported on during the state auditor's next scheduled audit of the county.

This Letter on Other Matters presents matters other than the findings, if any, reported in the accompanying Schedule of Findings and Questioned Costs. These matters resulted from our audits of the special-purpose financial statements of Ozark County and of its compliance with the types of compliance requirements applicable to each of its major federal programs but do not meet the criteria for inclusion in the written reports on compliance and on internal control over financial reporting or compliance that are required for audits performed in accordance with *Government Auditing Standards* and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Nevertheless, the county should consider these matters and take appropriate corrective action.

1. Budgets

Budgets were not prepared for various county funds and actual expenditures exceeded approved budget amounts in some funds for the two years ended December 31, 1999. Budgets should be prepared for all county funds. In addition, if there are valid reasons which necessitate excess disbursements, amendments should be made following the same process by which the annual budget is approved, including holding public hearings and filing the amended budget with the State Auditor's Office.

2. Schedule of Expenditures of Federal Awards

The county is required by OMB Circular A-133 to prepare a schedule of expenditures of federal awards (SEFA). The SEFA schedule is used to determine the single audit requirements of the county. The county's SEFA contained numerous errors and omissions for the two years ended December 31, 1999. The SEFA should be accurately prepared to ensure all federal awards are properly reported.

3. Capital Improvement Transfers

The county is making transfers from the Capital Improvement Fund to repay the General Revenue and other funds for a 1996 elevator project. The county needs to review all costs

associated with the project and determine the total amounts due these funds. Documentation supporting the costs and amounts already reimbursed should be maintained and any amounts still due should be identified and properly budgeted each year until the entire costs are repaid.

This Letter on Other Matters is intended for the information of the management of Ozark County, Missouri, and other applicable government officials. However, this letter is a matter of public record and its distribution is not limited.