



Susan Montee, CPA
Missouri State Auditor

Prosecuting Attorney Cole County

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Office of
Missouri State Auditor
Susan Montee, CPA

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Our office conducted an audit of the Prosecuting Attorney of Cole County, Missouri.

The Prosecuting Attorney collects various fees that are deposited into one of two funds, depending on the type of fee, the Delinquent Tax Fund (DTF) and the Bad Check Fees Fund (BCFF). Both types of fees are to be expended by the Prosecuting Attorney for items related to the operation of his office; however, the disbursement procedures are different for each fund. For the DTF, manual checks, based on check requests prepared by the Prosecuting Attorney's office, are issued by the County Treasurer and then disbursed by the Prosecuting Attorney, while disbursements from the BCFF go through normal county procedures.

During November and December 2006, the former Prosecuting Attorney authorized payments from the DTF totaling \$23,000 to six employees as salary supplements and \$4,000 to one employee as salary. None of these payments were included in the county's payroll records, subjected to payroll tax withholdings, nor reported to the Internal Revenue Service (IRS) on the employees' W-2 forms. Although state law allows DTF monies to be used for salary supplements for existing employees on the staff of the Prosecuting Attorney's office, the majority of these salary supplement payments appear to represent additional compensation for services previously rendered and appear to be in violation of both the Missouri Constitution and an Attorney General's opinion.

Invoices and/or receipts were not submitted nor retained for most purchases on the office credit card. Some of the credit card purchases made by the former Prosecuting Attorney were from local restaurants and grocery stores totaling \$2,659 during 2006 and 2005 (no similar purchases were noted during 2007). The purpose of these food purchases was not always adequately documented.

Some travel expenses were not adequately documented, including reimbursement of \$2,635 to the former Prosecuting Attorney to attend a seminar in Colorado in January 2006, and credit card expenses for a conference in California in 2006 (\$792) and airline tickets to Las Vegas for training in 2007 (\$213).

The former Prosecuting Attorney authorized an expenditure from the DTF of \$23,675 for a vehicle in 2005. Office policy is to purchase equipment on state contracts in lieu of soliciting bids; however, supporting documentation of the contract price was not maintained for this purchase.

(over)

YELLOW SHEET

There was no documentation to support how items purchased by the former Prosecuting Attorney from the DTF for the operations of other county officials' offices complied with state law. These purchases included \$5,147 for computers and software for the County Auditor, \$1,907 for printers for the Public Administrator, \$3,821 for various computer equipment and software for the county's overall computer system, and \$9,845 for legal fees for work performed on behalf of the County Auditor's office. The audit also questioned the legal authority for the transfer of monies to the county's General Revenue Fund.

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PROSECUTING ATTORNEY
COLE COUNTY

TABLE OF CONTENTS

	<u>Page</u>
STATE AUDITOR'S REPORT	1-3
MANAGEMENT ADVISORY REPORT - STATE AUDITOR'S FINDINGS	4-13
HISTORY, ORGANIZATION, AND STATISTICAL INFORMATION	14-17
Appendix A Delinquent Tax Fund, Schedule of Receipts, Disbursements, and Changes in Cash, Years Ended December 31, 2007, 2006, and 2005	16
Appendix B Bad Check Fees Fund, Schedule of Receipts, Disbursements, and Changes in Cash, Years Ended December 31, 2007, 2006, and 2005	17
DOCUMENTATION TO SUPPORT AUDIT FINDINGS.....	18-20

STATE AUDITOR'S REPORT



SUSAN MONTEE, CPA
Missouri State Auditor

Honorable Mark Richardson, Prosecuting Attorney
Cole County, Missouri

The State Auditor was requested by the Honorable Mark Richardson, Prosecuting Attorney, under Sections 56.312 and 570.120, RSMo, to audit the Delinquent Tax Fund and the Bad Check Fees Fund of Cole County. The scope of this audit included, but was not necessarily limited to the years ended December 31, 2007, 2006, and 2005. The objectives of our audit were to:

1. Review the propriety of disbursements from the Delinquent Tax Fund and the Bad Check Fees Fund.
2. Determine if the Prosecuting Attorney has adequate internal controls over significant financial functions related to the Delinquent Tax Fund and the Bad Check Fees Fund.
3. Determine if the Prosecuting Attorney has complied with certain legal provisions.

Our methodology included reviewing written policies and procedures, financial records, and other pertinent documents; interviewing various personnel of the office of the Prosecuting Attorney, as well as other county officials and 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. However, providing an opinion on the effectiveness of internal controls was not an objective of our audit and accordingly, we do not express such an opinion.

We 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 contract 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. 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. Abuse, which refers to behavior that is deficient or improper when compared with

behavior that a prudent person would consider reasonable and necessary given the facts and circumstances, does not necessarily involve noncompliance with legal provisions. Because the determination of abuse is subjective, our audit is not required to provide reasonable assurance of detecting abuse.

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 History, Organization, and Statistical Information is presented for informational purposes. This information was obtained from the Prosecuting Attorney and Cole County and was not subjected to the procedures applied in our audit of the Prosecuting Attorney.

The accompanying Management Advisory Report presents our findings arising from our audit of the Prosecuting Attorney of Cole County.



Susan Montee, CPA
State Auditor

The following auditors participated in the preparation of this report:

Director of Audits: Thomas J. Kremer, CPA
Audit Manager: Mark Ruether, CPA
In-Charge Auditor: Lori Bryant

MANAGEMENT ADVISORY REPORT -
STATE AUDITOR'S FINDINGS

PROSECUTING ATTORNEY
COLE COUNTY
MANAGEMENT ADVISORY REPORT -
STATE AUDITOR'S FINDINGS

Disbursements and Supporting Documentation

The former Prosecuting Attorney authorized the payment of employee salary supplements totaling \$23,000 which may have violated the Missouri Constitution, and these payments along with a \$4,000 salary payment were not subject to payroll withholdings or included on employees' W-2 forms. Invoices/receipts were not submitted or retained for most credit card purchases nor for some travel and training expenses. In addition, sufficient documentation for a vehicle purchased on state contract in lieu of bidding was not maintained. There was no documentation to support how items purchased from the Delinquent Tax Fund for the operations of other county officials' offices complied with state law.

The Prosecuting Attorney assists the Missouri Department of Revenue in the collection of delinquent state taxes, licenses, and fees, and receives collection fees from the state which are deposited into the Delinquent Tax Fund (DTF) as provided by Section 56.312, RSMo. The Prosecuting Attorney also charges administrative handling fees which are deposited into the Bad Check Fees Fund (BCFF) for the collection of bad check restitution as provided by Section 570.120, RSMo. Both types of fees are to be expended by the Prosecuting Attorney for items related to the operation of his office.

Both funds are held by the County Treasurer; however, the disbursement procedures are different for each fund. For the DTF, manual checks are issued by the County Treasurer based on check requests prepared by the Prosecuting Attorney's office. The checks are signed by the County Treasurer and sent to the Prosecuting Attorney for his signature and subsequent distribution. The disbursements from the BCFF go through normal county procedures, where check requests and supporting documentation are submitted to the County Finance Officer and reviewed by the County Auditor's office for compliance with bid requirements and other legal provisions, with computer checks then issued and distributed by the county.

- A. During November and December 2006, the former Prosecuting Attorney authorized payments from the DTF totaling \$23,000 to six employees as salary supplements and \$4,000 to one employee as salary. None of these payments were included in the county's payroll records, subjected to payroll tax withholdings, nor reported to the Internal Revenue Service (IRS) on the employees' W-2 forms. The check requests for five of the six salary supplement payments were dated December 14, 2006, and included memos from the former Prosecuting Attorney outlining the accomplishments of the office during 2006 and that he had hoped to reward the employees with raises in 2007, but with a change in circumstance, he could only supplement their salaries for the period January 1 through December 1,

2006. In addition, three of these memos indicate the payments also included vacation hours earned that were not paid by the county; however, there was nothing to document the amounts attributed to the unpaid leave, and time records maintained by the county indicated these three employees had used all of their accrued vacation time by December 31, 2006. For the other salary supplement payment, there was no additional memo, and the check request (dated November 27, 2006) indicated the salary supplement was for the period of October 18, 2006 through December 31, 2006.

For the payment shown as salary, this employee had an employment contract with the county for the period January 1 through October 31, 2006, and county finance office personnel indicated he was paid by the county \$4,000 per month for this 10-month time period. The check request from the Prosecuting Attorney for the \$4,000 salary payment indicated this was for salary for November 2006; however, neither the county nor the Prosecuting Attorney's office could provide documentation to show that his employment contract had been extended nor provide time records to show hours worked for November 2006.

Although Section 56.312, RSMo, states DTF monies may be used for salary supplements for existing employees on the staff of the Prosecuting Attorney's office, the majority of these salary supplement payments appear to represent additional compensation for services previously rendered and appear to be in violation of Article III, Section 39 of the Missouri Constitution. In addition, Attorney General's Opinion No. 72, 1955 to Pray, states "...a governmental agency deriving its power from the Constitution and laws of the state would be prohibited from granting extra compensation in the form of bonuses to public officials after the service has been rendered."

The Prosecuting Attorney should ensure all employee compensation is in compliance with the Missouri Constitution, subject to payroll tax withholdings, and reported on the employees' W-2 forms. The Prosecuting Attorney should work with the county and contact the IRS to determine if amended information returns should be submitted to the IRS for the \$27,000 in unreported compensation.

- B. The Prosecuting Attorney's office uses a credit card for various purchases, and credit card payments totaled \$13,605 during the three years ended December 31, 2007. During 2006 and 2005, the credit card bills were paid from the DTF (\$12,283), while during 2007, payments were made from the BCFF (\$1,322). Prosecuting Attorney office personnel indicated that there is no policy to require the retention and/or submission of vendor invoices/receipts for credit card purchases. Our review noted missing invoices/receipts for each of the 32 monthly credit card payments (no payments were made during four of the 36-month period reviewed). For 21 of these payments, no invoices or receipts were submitted or retained. For the payments from the BCFF which are made through the normal county disbursement process, some invoices or receipts were missing even though

county policy requires invoices/receipts to be submitted for all credit card purchases.

Many of the purchases were from an office supply store and a discount store. In addition, one of the largest single purchases was \$1,269 in August 2006 for new tires and maintenance for the office's county-owned car. The invoice for this purchase was not retained, but office personnel requested a duplicate copy of the invoice which indicated that the purchase was related to the county-owned car.

Some of the credit card purchases were from local restaurants and grocery stores, totaling \$2,659 during 2006 and 2005 (no similar purchases were noted during 2007). Auditee personnel indicated food and meals are provided for certain office-related meetings; however, for many of these purchases there was inadequate documentation to support the propriety of the applicable food and related costs, such as the purpose of the related meetings, the individuals present, and why it was necessary to provide food or meals. There were handwritten notes on some of the credit card statements and copies of the former Prosecuting Attorney's appointment calendar which provided some support for the purpose of these purchases, but in many instances the documentation was either missing or inadequate. In December 2006, a transfer of \$2,434 was made from the BCFF to the DTF to reimburse the DTF for food and kitchen supplies, and \$76 of this amount was identified as office Christmas party supplies. In addition, the former Prosecuting Attorney personally reimbursed the DTF \$381 in December 2006, apparently for some of the food purchases that he determined were not business-related.

Without detailed supporting documentation, including the purpose of items purchased, neither the Prosecuting Attorney nor the county can determine if the expenditures were reasonable and necessary uses of public funds. The county's residents place a fiduciary trust in their public officials to expend public funds in a necessary and prudent manner. The Prosecuting Attorney should adopt policies to require submission of all credit card invoices/receipts prior to payment of the credit card bills, and require the purpose of all food and meal purchases to be sufficiently documented to ensure public funds are spent only on items which are necessary for the operation of his office.

- C. The former Prosecuting Attorney was reimbursed \$2,635 to attend a seminar in Colorado in January 2006. Supporting documentation included a copy of the former Prosecuting Attorney's personal credit card statement; however, copies of detailed receipts/invoices were not submitted or retained. Travel expenses totaling \$792 for a conference in California in September 2006 and \$213 for airline tickets to Las Vegas for training in June 2007 were charged on the office credit card but no detailed receipts/invoices were retained and there was no documentation to indicate who attended the conference in California. The total travel costs incurred for these trips do not appear unreasonable based on the destinations and the length of the trips. Although the county's travel policies do

not require employees to submit copies of agendas for training conferences, consideration should be given to requiring these be submitted for any training related disbursements. Agendas would provide information to the county regarding the dates of training sessions, meals or other costs covered by the registration fees, or other pertinent details that would assist the county in verifying the propriety of the expenditure.

Travel and training related expenditures or reimbursements should be supported by paid receipts or vendor-provided invoices, training agendas, and/or other detailed documentation needed to support the cost and allow for effective review. Such documentation is necessary to ensure purchases are valid and necessary expenditures of county funds.

- D. The former Prosecuting Attorney authorized an expenditure from the DTF of \$23,675 for a vehicle in February 2005. Office policy is to purchase equipment on state contracts in lieu of soliciting bids; however, supporting documentation of the contract price was not maintained for this purchase.

Section 50.660, RSMo, related to county purchases, requires the advertisement for bids for purchases of \$6,000 or more, and solicitation of bids for purchases of \$4,500 or more from any one person, firm or corporation during any period of ninety days. For purchases on state contracts in lieu of bids, documentation of the contract number and price should be maintained.

- E. The former Prosecuting Attorney authorized purchases from the DTF for equipment that has apparently been used by other county officials, such as \$5,147 for computers and software for the County Auditor, \$1,907 for printers for the Public Administrator, and \$3,821 for various computer equipment and software for the county's overall computer system. In addition, \$9,845 was spent from the DTF in 2006 for legal fees for work performed on behalf of the County Auditor's office. Auditee personnel indicated that some of these purchases were made from the DTF because the County Commission had not budgeted or otherwise authorized these expenditures from other county funds. The Prosecuting Attorney does not prepare annual budgets for the DTF (budgets are prepared for the BCFF).

In addition, \$125,000 was transferred from the DTF to the county's General Revenue fund in each of the years ended December 31, 2007, 2006, and 2005, and \$25,000 was transferred from the BCFF to the General Revenue Fund in 2005. While Section 570.120, RSMo, allows for unspent BCFF monies to be transferred to the General Revenue Fund, there does not appear to be similar statutory authorization for the transfer of DTF monies.

Sections 570.120 and 56.312, RSMo, require the BCFF and the DTF, respectively, to be used for the operation of the Prosecuting Attorney's office. The Prosecuting Attorney should adopt policies and procedures to ensure these monies are spent in accordance with state law. While Section 56.312, RSMo,

indicates that the DTF shall not be budgeted by the governing body of the county, the Prosecuting Attorney should consider preparing annual budgets to help ensure DTF monies are spent in accordance with state law.

WE RECOMMEND the Prosecuting Attorney:

- A. Ensure all employee compensation is in compliance with the Missouri Constitution, subject to payroll tax withholding, and reported on the employees' W-2 forms. The Prosecuting Attorney should work with the county and contact the IRS to determine if amended information returns should be submitted to the IRS for the \$27,000 in unreported compensation.
- B. Require invoices/receipts for all credit card purchases be submitted and retained prior to payment. In addition, the Prosecuting Attorney should document the purpose of all meal and food purchases to ensure they represent necessary and prudent uses of public funds.
- C. Ensure sufficient documentation is maintained to support the propriety of all training and related travel expenditures, including invoices/receipts and copies of training agendas or registration forms.
- D. Ensure bids are solicited in accordance with state law. For purchases of equipment on state contracts, documentation should be maintained of the contract number and price.
- E. Ensure all expenditures from the BCFF and DTF comply with state law. In addition, the Prosecuting Attorney should consider preparing annual budgets for the DTF.

AUDITEE'S RESPONSE

Current Prosecuting Attorney Mark Richardson provided the following responses:

- A. *This office has requested appointment of a special prosecutor for a decision of whether the withdrawals were illegal and whether any civil or criminal cause of action concerning the referenced unreported payments totaling \$27,000 made by the former prosecuting attorney in November and December 2006 should be pursued.*
- B. *This office will follow a policy of requiring vendor invoices/receipts for any credit card purchases before paying the credit card balance each month. Although no charges for food or grocery items were referenced for 2007, if any purchases are ever made from local restaurants and grocery stores for food items, this office's policy will require documentation to support the propriety of the applicable food and related costs including the purpose of the meetings, the individuals present, and why it was necessary to provide food. This office acknowledges that without further investigation, insufficient records exist to determine the propriety of the food and grocery items purchased in 2005 and*

2006 by the former prosecuting attorney. This office has requested appointment of a special prosecuting attorney.

- C. This office has not made any determination with regard to the \$2,635 payment made to the former prosecuting attorney in January 2006 other than to concur with the auditor's statement that "copies of detailed receipts/invoices were not submitted or retained." Our office policy will be to require employees to submit agendas for training conferences attended along with detailed receipts/invoices for travel expenses. This office has requested appointment of a special prosecuting attorney.
- D. This office has not made any determination with regard to the February 2005 purchase of a vehicle by the former prosecuting attorney other than to concur with the auditor report that supporting documentation was not maintained for the vehicle purchase. Purchases over the statutory amount will be made upon advertisement for bids or on state contract with supporting contract number.
- E. Concerning the payments totaling over \$20,000 made by the former prosecuting attorney for equipment for or on behalf of other county officials, this office has requested appointment of a special prosecuting attorney to investigate and prosecute, if deemed necessary, any civil or criminal cause of action concerning the referenced payments. This office will not expend funds at the request of other county officials.

Former Prosecuting Attorney Bill Tackett provided the following responses:

At my request, two audits of the Cole County Prosecutor's Office were performed by the Cole County Auditor during my tenure in that office. The first audit was performed just prior to my swearing in as the Prosecuting Attorney, the second was performed just prior to the end of my term in office. There were no remarkable findings in either audit.

The review of the Cole County Prosecuting Attorney's office just prior to my swearing in showed no irregularities. As a result, my term as Prosecuting Attorney followed the same office practices as my predecessors. Because these "past practices" were followed throughout my term in office, the audit that was performed just prior to my departure from office also showed no irregularities.

During the audits performed by the Cole County Auditor, I had full access to the records of the Prosecuting Attorney's office and I was able to provide any and all documentation to the County Auditor for his review during those audits. I also knew that the records for my administration, and those of the previous administrations, were being properly maintained and that past practices were being followed. By contrast, because I no longer have access to the records of the Cole County Prosecutor's office, I cannot speak to the accuracy or accountability of the records as they are now being maintained, nor can I speak to the access to records that has been provided to the Missouri State Auditor's office for the audit that is now underway.

A specific past practice that has come into question in this audit concerns the practice of returning excess funds from either the Bad Check Fee Fund or the Delinquent Tax Fund to the

county general revenue fund at the end of each year, as well as the sharing of those funds with other offices of elected officials of Cole County for their use toward computer equipment and other support functions. This practice was already firmly established when I was hired as an Assistant Prosecutor in 1990, and continued unchanged throughout my tenure in the Prosecuting Attorney's office. The rationale for the transfer of these funds to these entities has been that the Prosecuting Attorney's role as county counselor includes representation of all other county officials in any potential lawsuits. Therefore, providing the county and its elected officials with the resources necessary for them to lawfully execute their duties could prevent some potential future lawsuits. A further rationale supported by the County Auditor is that these other county offices touched the Prosecutor's Office through their own duties (i.e. Treasurer signs checks, Auditor audits office, etc.) and, as such, are an extension of the Prosecutor's Office and satisfy the statutory language permitting the use of these funds. As stated earlier, this has been a long-accepted practice within the Prosecuting Attorney's office.

On the issue of the office credit card, a staff member of the State Auditor's Office told me in a telephone interview on March 17, 2008, that the current Cole County Prosecuting Attorney did not have the appropriate receipts for several of his expenditures, and that a trip was taken by someone in his office that lacked the same documentation that I lacked. I do not condemn the current Prosecuting Attorney for this finding, but the comment indicates that he was following a "past practice" that had been found unremarkable in previous audits.

With regard to the contract price of the vehicle that is allocated to the Prosecuting Attorney's office, I can relay to you the circumstances surrounding my purchasing decisions during my term as the Prosecuting Attorney. The vehicle that I inherited upon taking office was a Jeep Cherokee that my predecessor had purchased. The office vehicle for the Prosecuting Attorney had historically been a Ford Crown Victoria. However, my predecessor indicated that he purchased the Jeep Cherokee in part because it was a more appropriate vehicle for transporting cages as typically used in racing pigeons, which is a hobby of my predecessor. When I took office as the Prosecuting Attorney, the Jeep was transferred to the Cole County Health Department, after the County Auditor and the County Commission agreed to such a transfer. I subsequently purchased a Crown Victoria for the Prosecuting Attorney's office, in accordance with past practices and consistent with the State of Missouri's purchasing contract of these vehicles for law enforcement personnel in Missouri. The vehicle was purchased from the dealer in Columbia that had the state contract and at the contract price.

Also in accordance with past practice, I replaced the vehicle after two years of use. The old vehicle was provided to the Investigator for the Prosecuting Attorney's office for his official use. I asked the County Auditor if I could purchase a vehicle that was priced below the Ford Crown Victoria price. He responded that he believed it would not offend the spirit of auditing practices to purchase a vehicle that was lower in cost. I purchased a Ford 500 for less than the Crown Victoria would have cost from the same dealer (who had the state contract).

On the issue of severance pay to employees: These were highly experienced employees who had been personally notified by the current Prosecuting Attorney that they would be terminated immediately when he took over as prosecuting attorney. These firings were without cause and appeared to be politically motivated. These employees were paid approximately one month's

salary as severance pay. I paid those from the delinquent tax fund in accordance with Section 56.312, RSMo, which authorized payment of "salary supplements for existing employees on the staff of the prosecuting ... attorney." There is a legal presumption that all statutes are constitutional.

Regarding the failure to subject these salary supplements to payroll withholding or inclusion on employees' W-2's, those functions are carried out by the county administration. The checks were drafted and issued by the county treasurer and sent to me for signature. I was not otherwise involved in these bookkeeping procedures.

I want to point out an area of concern that arose during my telephone interview with a staff member of the State Auditor's Office on March 17, 2008. It was clear from our conversation that he did not have copies of records from my term in office pertaining to office meetings where food was provided. Detailed records of the meetings and food expenditures had been maintained by my office staff during my term as Prosecutor. I retained personal copies of these office records, and it was apparent that the original records had either not been made available to the State Auditor's Office, or that they had not reviewed those records for this audit. The records to which I refer give the credit card posting date and a notation of the office meeting that occurred. After each credit card bill was received, my secretary and I would compare the credit card entry with the office calendar that she kept and she documented each of these occurrences by making notations about the meeting on the office calendar and on the credit card receipts. I am concerned by the fact that the State Auditor's Office had not reviewed this office calendar or the credit card bills with the corresponding notes. All of those notes were made available to the County Auditor during his review of the Prosecutor's office that he conducted at the end of my term. At the time of the County Auditor's last review, I also had the assistant in the Cole County Auditor's Office walk through the office with me to record the presence of stamps, kitchen utensils, food, and office equipment. I made certain that my reimbursements were complete before leaving the office of Prosecuting Attorney.

Of further concern were the State Auditor's Office questions about a trip that I made to California. The trip to California occurred three or four years ago, and was for the purpose of visiting a man who, at that time, was one of the nation's only crime scene video reconstructionists. I was considering the need for a video reconstruction for use in a capital murder case that involved a complex set of movements that I thought could be better understood by a jury if set out in video form. My secretary had several phone conversations with this gentleman to set up the meeting; however, it appears that the State Auditor's Office did not ask her for this expert's name. I met with the expert in Long Beach, California, however, I do not recall his name. Because the case was not tried during my tenure in office, I did not retain the services of this expert.

The State Auditor's Office also indicated to me that the preliminary findings of this audit were not unusual for an average prosecutor's office but that the circumstances of the request for an audit was unusual. They said they had not had a case where a new prosecutor had requested an audit to be performed by the State Auditor's office, as opposed to the County Auditor who is charged with such duties.

Finally, in the last paragraph of point B of the draft audit, the State Auditor's office states that they do not know the purpose for which some public funds were used and that the public places a fiduciary trust in their public officials. This assertion is concerning, given that the State Auditor's findings relied on the cooperation of my former political opponent for the production of records relating to my term in office, and that it appears that such records were not provided to the State Auditor's Office in their entirety. It is also of concern that this assertion was made without the benefit of seeking input or documentation from either myself or the Cole County Auditor.

AUDITOR'S COMMENT

The State Auditor's Office did review records maintained by the former Prosecuting Attorney for credit card food purchases that the current Prosecuting Attorney did provide. As indicated in our finding, the handwritten notes on the credit card statements and the copies of the former Prosecuting Attorney's appointment calendar did not always indicate the purpose of the related food purchases.

HISTORY, ORGANIZATION, AND
STATISTICAL INFORMATION

PROSECUTING ATTORNEY
COLE COUNTY
HISTORY, ORGANIZATION, AND
STATISTICAL INFORMATION

Pursuant to Section 136.150, RSMo, the Prosecuting Attorney provides assistance to the Missouri Department of Revenue in the collection of delinquent taxes, licenses, and fees and receives a collection fee of twenty percent of the delinquent tax, license, or fee recovered. The collection fee is deposited in the county treasury, with one-half going to the General Revenue Fund and one-half going to the Delinquent Tax Fund. Under Section 570.120, RSMo, the Prosecuting Attorney receives fees for administrative handling costs for bad check cases. The fees are deposited in the Bad Check Fees Fund. The monies in these funds are to be used for office supplies, postage, books, training, office equipment, capital outlay, expenses of trial and witness preparation, and additional employees for the staff of the prosecuting attorney, as well as other items for the operation of the Prosecuting Attorney's office as allowed by state law.

Bill Tackett served as Prosecuting Attorney of Cole County from January 1, 2003, to December 31, 2006. Mark Richardson took office January 1, 2007.

The following schedules reflect the activity of the Delinquent Tax Fund and the Bad Check Fees Fund. The schedules do not include operating costs of the Prosecuting Attorney's office which are paid from the General Revenue Fund of the county.

Appendix A

PROSECUTING ATTORNEY
 COLE COUNTY
 DELINQUENT TAX FUND
 SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH

	Year Ended December 31,		
	2007	2006	2005
RECEIPTS			
Intergovernmental	\$ 228,107	184,317	176,626
Interest	848	865	724
Other	0	381	0
Transfer from Bad Check Fees Fund	0	2,434	0
Total Receipts	228,955	187,997	177,350
DISBURSEMENTS			
Automobile purchases and expenses	0	0	24,089
Computer purchases and expenses	5,587	16,202	30,269
Credit card purchases	0	7,113	5,170
Criminal investigation	495	22,200	2,966
Dues and subscriptions	1,580	0	0
Equipment purchases	1,563	0	9,658
Legal fees	0	9,845	0
Office supplies	0	0	1,713
Salaries and salary supplements	0	27,000	0
Special prosecution	3,020	2,550	5,295
Training and education	0	2,635	150
Witness expenses	3,906	188	3,849
Miscellaneous	155	5,259	6,852
Transfer to General Revenue Fund	125,000	125,000	125,000
Total Disbursements	141,306	217,992	215,011
RECEIPTS OVER (UNDER)			
DISBURSEMENTS	87,649	(29,995)	(37,661)
CASH, JANUARY 1	30,526	60,521	98,182
CASH, DECEMBER 31	\$ 118,175	30,526	60,521

Appendix B

PROSECUTING ATTORNEY
 COLE COUNTY

BAD CHECK FEES FUND

SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH

	<u>Year Ended December 31,</u>		
	<u>2007</u>	<u>2006</u>	<u>2005</u>
RECEIPTS			
Charges for services	\$ 80,810	101,536	75,894
Interest	584	313	86
Total Receipts	<u>81,394</u>	<u>101,849</u>	<u>75,980</u>
DISBURSEMENTS			
Automobile purchases and expenses	196	379	0
Computer purchases and expenses	24,120	28,966	20,144
Credit card purchases	1,322	0	0
Criminal investigation	13,910	5,921	9,920
Dues and subscriptions	0	915	0
Missouri Office of Prosecution Services	9,846	12,357	5,878
Printing and reproduction	2,254	0	0
Office supplies and expenses	1,043	1,904	2,126
Professional services	190	285	0
Training and education	1,464	0	0
Miscellaneous	3,191	5,559	144
Transfer to Delinquent Tax Fund	0	2,434	0
Transfer to General Revenue Fund	0	0	25,000
Total Disbursements	<u>57,536</u>	<u>58,720</u>	<u>63,212</u>
RECEIPTS OVER (UNDER)			
DISBURSEMENTS	23,858	43,129	12,768
CASH, JANUARY 1	<u>59,605</u>	<u>16,476</u>	<u>3,708</u>
CASH, DECEMBER 31	<u>\$ 83,463</u>	<u>59,605</u>	<u>16,476</u>

DOCUMENTATION TO SUPPORT AUDIT FINDINGS

PROSECUTING ATTORNEY
 COLE COUNTY
 DOCUMENTATION TO SUPPORT AUDIT FINDINGS

MANAGEMENT ADVISORY REPORT (MAR), PART A

Salary supplement payments not reported to the Internal Revenue Service:

<u>Date</u>	<u>Check Number</u>	<u>Amount</u>
11/27/2006	1058	\$ 750.00
12/15/2006	1067	3,800.00
12/15/2006	1068	2,500.00
12/15/2006	1069	5,225.00
12/15/2006	1070	5,500.00
12/15/2006	1071	5,225.00
Total		\$ <u>23,000.00</u>

Salary payment not reported to the IRS:

<u>Date</u>	<u>Check Number</u>	<u>Amount</u>
11/27/2006	1059	\$ 4,000.00

MAR, PART B

Credit card food purchases from local restaurants and grocery stores:

<u>Date</u>	<u>Check Number</u>	<u>Food Amount</u>
1/20/2005	950	\$ 19.00
2/7/2005	953	134.54
4/18/2005	970	85.63
5/12/2005	973	35.37
6/8/2005	978	299.48
7/21/2005	983	210.01
8/10/2005	987	115.91
9/12/2005	988	174.20
10/15/2005	999	78.26
11/14/2005	1004	198.39
12/5/2005	1007	152.78
1/13/2006	1018	75.56
2/15/2006	1023	243.00
3/14/2006	1027	168.54
4/4/2006	1032	226.31
5/11/2006	1036	115.01
6/16/2006	1038	114.32
7/18/2006	1042	73.38
8/14/2006	1044	29.36
11/14/2006	1051	110.29
Total		\$ <u>2,659.34</u>

MAR PART C

Travel expense lacking adequate supporting documentation:

<u>Date</u>	<u>Check Number</u>	<u>Amount</u>
2/15/2006	1026	\$ 2,634.68
10/3/2006	1048	792.34
7/17/2007	1354	213.30

MAR PART E

Purchases from the Delinquent Tax Fund on behalf of other county officials:

<u>Date</u>	<u>Check Number</u>	<u>Amount</u>	<u>Purpose</u>
5/17/2005	975	1,944.24	Computer for County Auditor
10/3/2006	1047	927.60	Software for County Auditor
10/16/2006	1050	2,275.12	Computers for County Auditor
Total		<u>5,146.96</u>	
11/14/2006	1056	<u>1,906.72</u>	Printers for Public Administrator
12/19/2006	1072	<u>3,820.86</u>	Computer equipment and software for county's overall computer system
11/14/2006	1053	5,427.70	Legal fees on behalf of County Auditor's Office
12/7/2006	1064	<u>4,417.72</u>	Legal fees on behalf of County Auditor's Office
Total		<u>9,845.42</u>	