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Missouri State Auditor

Summary of 2011 Follow-Up Reports

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Summary of 2011 Follow-Up Reports

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The Citizens of Missouri

This report was compiled from follow-up reports issued in 2011. The State Auditor's office conducted five follow-up reviews pursuant to the Auditor's Follow-Up Team to Effect Recommendations (AFTER) program. The objectives of the AFTER program are to identify audit report findings requiring immediate management attention, and any other findings for which follow-up is considered necessary, and to report whether the recommendations for those findings are being implemented. Auditors conduct a follow-up review of any audit receiving an overall "Poor" rating, any audit receiving a "Fair" rating with one or more significant or serious findings, and any other audits at the discretion of the State Auditor.

The follow-up reviews determined officials from these entities had implemented or were in the process of implementing the majority of the recommendations reviewed as part of the AFTER program work.

A handwritten signature in cursive script that reads "Thomas A. Schweich".

Thomas A. Schweich
State Auditor

Summary of 2011 Follow-Up Reports

Status of Recommendations

1. **City of Neosho**
Report number 2011-121

The City of Neosho received a "Poor" overall audit rating. The follow-up work focused on 13 significant findings. As part of this work, auditors reviewed a report summarizing the status of the audit recommendations and supporting documentation submitted by the city. The city provided documentation, including the fiscal year 2012 budget, city council meeting minutes, contracts, new policies and procedures, various accounting records, and bank statements.

Status of Recommendations Work performed determined all recommendations had either been implemented or were in the process of being implemented.

2. **City of Pine Lawn**
Report number 2011-89

The City of Pine Lawn received a "Poor" overall audit rating, due primarily to the financial condition of the city's Trash Fund and inadequate budget procedures. The follow-up work focused on nine significant findings. City officials provided various documents and other evidence supporting efforts made to correct the reported issues.

Status of Recommendations Work performed determined all but one recommendation had either been implemented or was in the process of being implemented. The city disagreed with the recommendation regarding complying with Internal Revenue Service guidelines for reporting fringe benefits related to commuting in city-owned vehicles, and this recommendation will not be implemented.

3. **Village of Indian Point**
Report number 2011-64

The Village of Indian Point received a "Poor" audit rating. The follow-up work focused on 19 significant findings, including issues with funding for the village's sewer project, financing for a municipal center, lack of accounting controls, and inadequate recordkeeping. Auditors discussed the status of these findings with village officials and reviewed supporting documentation, including copies of sewer construction invoices and contracts, financial statements and records for the village and the Board of Public Works, board meeting minutes, correspondence with the village attorney, and sewer customer payment reports.

Status of Recommendations Work performed determined all recommendations had either been implemented or were in the process of being implemented.

4. **City of University City**
Report number 2011-46

The City of University City received a "Fair" audit rating; however, a follow-up review was necessary due to 10 significant findings, including a failure to collect on delinquent trash service accounts, improper allocation of expenditures, concerns with various accounting controls, and inadequate compliance with the Sunshine Law. The city provided copies of the request for proposals for trash services, financial reports concerning overdue balances, updated administrative policies and procedures, accounting and financial records, meeting minutes and notices, and public record request logs.



Summary of 2011 Follow-Up Reports
Status of Recommendations

Status of Recommendations Work performed determined all recommendations had either been implemented or were in the process of being implemented.

5. Department of Mental Health, Office of Director
Report number 2011-38

Six significant findings in the audit of the Department of Mental Health, Office of Director required follow-up. Findings included excessive overtime pay, untimely investigation of complaints, and inadequate monitoring of a service contract. As part of the follow-up work, department officials provided a cost analysis related to the use of overtime, and data related to complaint investigations and preliminary reports. Two department divisions established policies to limit employee overtime hours.

Status of Recommendations Work performed determined one recommendation was in the process of being implemented and all other recommendations had been implemented.