



2001 ANNUAL REPORT
OFFICE OF THE MISSOURI STATE AUDITOR
www.auditor.state.mo.us

CLAIRE McCASKILL
STATE AUDITOR

ANNUAL REPORT

----- A MESSAGE FROM
THE STATE AUDITOR

The Citizens of Missouri
The Honorable Bob Holden
The Missouri General Assembly



Dear Citizens of Missouri,

The Missouri State Auditor's Office strives in providing valuable reports to interested citizens and those who can affect change for the betterment of our state. The Annual Report for Year 2001 is provided as a result of Article IV, Section 13, of Missouri's Constitution and we hope you find it informative as well.

Each year I have served as State Auditor, there have been many challenging issues I have directed my staff of auditors to act upon. For example, as a result of the continuing deterioration of our state's highway system we have spent thousands of audit hours determining whether or not we effectively prioritize road construction projects and have the resources available to greatly impact road safety. We found and identified spending practices, which were not only questionable, but also highly objectionable.

Our follow up audit on Missouri's Sunshine law looked at how well state government officials deliver information to the inquiring public. Our findings showed inconsistencies in policy and the price for record reproduction.

We continued to conduct an array of audits which point to the lack of safeguards in place to protect senior citizens, the disabled and children. In addition, this year we completed a review of the Department of Agriculture, which revealed lax inspections of commercial dog breeders.

The financial information we analyze is substantial and our efforts are intended to help lawmakers discover ways in which to make government agencies more accountable and serviceable while curbing costs. I am proud of those who work with me, which has allowed me to help government work better. Affording information to others is center to all we do.

Very truly yours,

A handwritten signature in black ink that reads "Claire McCaskill". The signature is fluid and cursive, with the first name "Claire" being more prominent than the last name.

Claire McCaskill

OVERVIEW OF THE MISSOURI STATE AUDITOR'S OFFICE

DUTIES OF THE STATE AUDITOR

In the Missouri Constitution, under Article IV, Section 13, the Missouri State Auditor is responsible for auditing all state agencies, boards and commissions; the state court system; counties that do not have a county auditor; and other political subdivisions, such as cities or school districts upon petition by the voters of those subdivisions.

All audits are conducted in an impartial, nonpartisan manner, in accordance with government auditing standards issued by the United States General Accounting Office. State auditors adhere to the rigorous standards of the auditing profession and exercise the highest levels of integrity and ethics. Audit findings and recommendations are based upon reliable evidence free from preconceived notions and the influence of personal opinions.

AUDITS PERFORMED IN THE OFFICE

There are primarily five types of audits that are performed in the State Auditor's Office. They include the following:

- 1) State Government Audits: consist of state agencies and departments, boards and commissions, statewide elected officials, the legislature, the state's financial statements, or federal awards expended by the state.
- 2) Performance Audits: independent examinations for the purpose of reporting on the extent to which agencies and departments of state government are faithfully carrying out the programs for which they are responsible and determining whether the programs are achieving their desired result.

- 3) Petition Audits: the State Auditor may be called on to audit any political subdivision of the state, such as cities, school districts, water districts etc., if enough qualified voters of that political subdivision request an audit. The political subdivision pays the actual cost of the audit.
- 4) County Audits: the State Auditor is required to conduct audits once every four years in counties which do not have a county auditor. To assist counties in meeting their federal audit requirements, the office also performs a financial and compliance audit of various county operating funds every two years.
- 5) Special County Audits: the State Auditor conducts a special audit after a vacancy occurs in a county official's office, before the Governor appoints a replacement county official.

❑ For a complete listing of year 2001 audits delivered, please see Appendix A / page 19.

BOND REGISTRATION

The State Auditor's Office is responsible for reviewing and registering general obligation bonds issued by political subdivisions in Missouri to ensure those bonds comply with both state law and the conditions of the contracts under which the bonds were issued.

- ❑ For a complete listing of bonds registered in 2001 with the State Auditor's Office, please see Appendix B/ page 23.
- ❑ Also, a complete listing of bonds registered for the years 2001, 2000 and 1999 are posted on the office's web site, www.auditor.state.mo.us.

REVIEW OF PROPERTY TAX RATES

State law requires the Missouri State Auditor to annually check all taxing jurisdictions throughout Missouri as to their compliance with the tax limitation provisions of Missouri's Hancock Amendment. Our tax report shows whether or not a taxing jurisdiction has met its constitutional and statutory obligation to set an overall tax rate at a level approved by voters and within the bounds of limits set by Missouri's Constitution and the State Legislature.

IMPORTANT: The State Auditor's Office has no authority to determine or review individual tax assessments. Chapter 138, RSMo governs the appeals process for assessed valuations as they pertain to individual taxpayers.

All individual tax assessment matters are the responsibility of each county assessor and board of equalization. Appeals to the state on tax assessment matters are handled by the Missouri State Tax Commission.

- ❑ For a complete listing of local governments levying taxes in excess of what is allowable by law, see Appendix C / page 30.

STATEMENTS AND TESTIMONY

The State Auditor is often called to advise the governor, legislature, and citizens on matters pertaining to state government operations, such as the Hancock Amendment. In addition, the office advises on estimated costs associated with statewide ballot initiatives.

Auditor McCaskill frequently testifies before Missouri legislative committees regarding audits undertaken by her office. This year she testified regarding the Department of Agriculture's Division of Animal Care Facilities, Missouri's Division of Aging, the Sunshine Law, as well as state motor vehicle and aircraft use.



YEAR 2001 AUDIT HIGHLIGHTS

MISSOURI DEPARTMENT OF TRANSPORTATION



The State Auditor conducted various audits of the Missouri Department of Transportation (MoDOT) in 2001. The State Auditor's Office found that while MoDOT receives less revenues for highway purposes than neighboring states, it also spends large sums of money on non-highway related items and needs to establish a better management system. Audits included *Condition of Missouri's Highway*

Infrastructure and Related Expenditures, 5-Year Road and Bridge Programs, and "Roadeos".

In December 1999, Missouri roads rated as poor, or very poor, numbered more than neighboring states and the nation, with 83 percent of Missouri roads ranked as fair, poor or very poor, including our interstates of which 43 percent were rated as poor or very poor. Missouri ranks seventh in the nation in the percentage of substandard bridges with 19 percent of state-owned bridges classified as structurally deficient and 14 percent classified as functionally obsolete. In 1999, Missouri ranked first compared to neighboring states for highest percentage of total substandard bridges.

With the sixth largest highway system in the nation, Missouri ranks well below the national average of \$110,255 per mile. Neighboring states have sources of highway revenue not being received by Missouri, including toll fees and bond proceeds. In addition, Missouri's motor fuel tax is lower than neighboring states with fuel tax receipts representing approximately 40 percent of Missouri's total highway revenue. MoDOT may not be applying a sufficient percentage of its revenues in preserving and maintaining the state's existing infrastructure and the department's accounting system did not adequately identify detailed cost information regarding preservation and maintenance.

(Report No. 2001-82)

MoDOT has not established a performance-based management system in the 5-Year Plan that would determine the progress toward improving the state's highway system. The awarding and/or completion of projects on the 5-Year Plan does not clearly correlate to any pre-established goals. The State Auditor's Office noted that the measures established by the department appear to be elements of a project management system instead of measures to monitor the overall improvement in the quality of the state's highway system. Goals and measures that can be quantified and measure the overall condition of the highway system would enhance the department's system of accountability.

(Report No. 2001-86)

In October 2001, the State Auditor conducted an audit of MoDOT's employee competitions, known as "Roadeos". MoDOT spent at least \$870,000 over calendar years 1999 and 2000 on what they referred to as equipment-handling skills competitions. Most competitions included gifts, prizes, food, travel and lodging expenses for judges and participants. Participating employees spent an average of 6 state hours each at area and district competitions, while spending less than 30 minutes actually operating or inspecting equipment in the four contest events. Even though participation is not required, department officials consider the competitions part of the safety training program. Transportation officials in other states cancelled the contests due to funding issues or higher priorities. MoDOT has currently cancelled all Roadeos.



(Report No. 2001-110)

IS THERE OPEN ACCESS TO GOVERNMENT?



The Missouri State Auditor's office continues to conduct compliance audits on the Missouri Sunshine Law. The intent of the Missouri Sunshine Law is to ensure that governmental bodies conduct their business in a manner that is open to public scrutiny. Open access to government is the essence of our democracy.

The April 2001 Sunshine Law audit examined how well Missouri's nearly 200 state agencies, boards and commissions comply with public records requests. Approximately 44% of the governmental entities surveyed either did not respond, responded untimely or improperly denied a request, with three entities (1%) refusing to provide the requested records unless the citizen explained why they wanted the information, which is not required by the Sunshine Law. Audit tests showed that 55% of the entities surveyed responded within the 3-day requirement of the Sunshine Law.

(Report No. 2001-33)

VICTIMS RESTITUTION

The State Auditor's Office found when offenders make their court-ordered payments, the victim ranks 36th out of 38 entities that receive a portion of the money. At least \$37 million in restitution is owed to crime victims, but nearly \$3 million of that amount will never make it to victims. This money cannot be recovered because the offenders have been released from probation, sent to prison, or have died. Paying restitution in full is not a condition for parole in Missouri. At least 353 offenders who owed restitution in 1999 never made a payment. In total, these offenders earned \$7.2 million while on probation and owed their victims \$1.6 million. In addition, 66 offenders who owed restitution also received worker's compensation or second injury fund settlements. Missouri law does not allow the victim in either of these cases to obtain restitution by garnishing wages or attaching liens to settlements.

(Report No. 2001-29)

CRIME VICTIM COMPENSATION FUND

Missouri state law requires a crime victims compensation fee to be assessed on each criminal conviction in each court in the state. Court clerks distribute ninety-five percent of the fees collected to the state Department of Revenue which deposits these fees into the Crime Victim Compensation Fund, the Services to Victims Fund and the State Forensic Laboratory Fund in accordance with state law. As our office has previously noted, the Department of Labor and Industrial Relations has not established procedures to ensure that the Crime Victims Compensation Program receives all crime victim fees assessed and collected by the courts and needs to establish procedures to recognize situations where Crime Victims Compensation fees are not being remitted to the state as required by law.

(Report No. 2001-28)

MANAGEMENT OF OUTSTANDING WARRANTS



Missouri ranks in the top ten states for the total number of outstanding felony and non-felony warrants, with approximately 728,000 outstanding warrants. Outstanding warrants are not kept in one accessible, centralized system, but are housed in three main systems run by the Kansas City Police Department, the St. Louis Police Department and the State Highway Patrol. These entities charge local law enforcement agencies usage fees to access warrant data. More than \$76 million could be collected from court costs, fees and fines if authorities served and adjudicated all current outstanding warrants.

(Report No. 2001-63)

DEPARTMENT OF ECONOMIC DEVELOPMENT, DIVISION OF MOTOR CARRIER AND RAILROAD SAFETY

On average Missouri spends a total of \$4.6 million each year from state and federal funds on safety upgrades as compared to other similarly sized states spending between \$5.5 and \$15 million annually. Missouri annually averages ten to fifteen passive to active crossing upgrades while similarly sized states are annually upgrading twenty-five to seventy crossings. At this rate it will take approximately four years to upgrade the grade crossings currently identified as most needing upgrades.



(Report No. 2001-79)

PHARMACEUTICAL TAX CREDITS FOR SENIORS



Thousands of ineligible taxpayers received the Pharmaceutical Tax Credit. The Department of Revenue adjusted 1999 Missouri individual income tax returns for approximately 105,000 individuals who met income and age requirements, but failed to claim the tax credit. According to the department, the tax credits allowed in connection with these 105,000 adjustments totaled approximately \$18.6 million. The fiscal impact of the Pharmaceutical Tax Credit on the state's General Revenue Fund was estimated at approximately \$20 million, however according to the Department of Revenue, the actual fiscal impact of the credit was approximately \$83 million.

(Report No. 2001-34)

DEPARTMENT OF SOCIAL SERVICES, ELECTRONIC BENEFIT DELIVERY SYSTEM

The State Auditor's office reviewed the Department of Social Services' new electronic benefits transfer system which replaced paper benefit coupons. Our audit found the new system disburses benefits more efficiently and reduces the chance of fraud. Since its 1998 inception, Missouri's food stamp payment record has consistently ranked above the national average, with a 92 percent accuracy rate in 2000.

(Report No. 2001-58)

PAYDAY LOANS



The office reviewed Missouri's growing instant loan industry, which includes car title loan and payday loan franchises, as well as the Division of Finance charged with regulating the industry. We found that state laws favored instant loan lenders, and often left loan consumers in a vicious cycle of debt.

Lenders renew loans 3.5 more times than they make new loans. These repeated renewals often result in the consumer making payments on the interest incurred and not lowering the principal. Lenders are subject to inconsistent regulation and do not have to be audited yearly like traditional lenders. Missouri law does not give the Division of Finance explicit authority to suspend or revoke a lender's license who violates state law and has vague requirements for lender examinations.

Since our audit was released, the Governor has signed into law a bill designed to rein in payday lenders. While the new law does not cap interest rates, it does mandate that lenders must prominently post signs stating the annual interest rate on their short term loans, caps fees at \$50 or 5% of the loan value, whichever is smaller and requires title lenders to refund the difference between the value of the loan and the amount for which a repossessed car is sold.

(Report No. 2001-36)

COST SAVING REPORTS ON STATE FOOD EXPENDITURES, CELL PHONE EXPENDITURES, TRAVEL EXPENDITURES AND FLEET MANAGEMENT



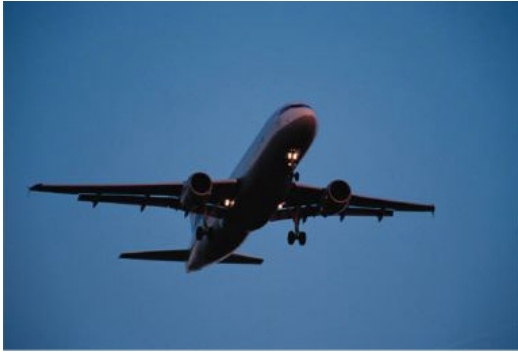
An audit of the costs incurred by state agencies, excluding employee business travel expenses, to feed employees during various agency-sponsored events including meetings, employee retirement receptions, training sessions or employee recognition events found the agencies spent over \$10.6 million in 2 years. The expenditures were extremely inconsistent among agencies and sometimes excessive. Many agencies scheduled meetings around the lunch hour and then provided a state-funded meal for participants, even though some participants were in their own domicile. The state audit found that state regulations do not provide price limits or guidelines regarding per person meal costs and that many agencies routinely purchase food for retirement receptions of state employees, which are often held on state time. Food costs vary widely with some agencies only providing cake, punch and coffee and others hosting parties at restaurants and bars on state time.

(Report No. 2001-84)



State officials spent about \$2.5 million on cellular phone costs in fiscal year 2000. The audit found no assurances that employees are enrolled in the most cost-effective plans. Almost half of the cellular phone costs paid by seven organizations in this audit went for fees that were not covered by the employee's cell phone plan. One division could not identify users of 16 phones and audit tests found that agency personnel were not always noting incorrect charges, delinquent bill payments or misclassified cellular telephone expenses. One organization had a \$21,601 delinquent balance for cell phone use. Agency personnel do not always review bills for personal calls or require employees to reimburse the state for such use.

(Report No. 2001-85)



Missouri could save about \$1.5 million, by negotiating discounted airfare contracts as other states and federal entities have done for years. Changes could reap substantial savings in employee meal and airfare costs. Contracts could eliminate the need for non-refundable tickets and travel on Saturdays for cheaper fares. Each department and some divisions within departments can set their own price limits to reimburse employees for food expenses. The audit found that state officials could save an estimated \$1.8 million by eliminating reimbursement for lunch when employees are not traveling overnight.

(Report 2001-95)



The State Auditor found ample room for improvement in the status of statewide fleet management. No one knows how many vehicles the state owns. The lack of a centralized vehicle management database results in inconsistencies among state entities. Auditors estimated the state fleet at 15,389 vehicles based on audit survey responses. Approximately one-third of the 180 passenger cars tested had been driven less than 5,000 miles a year. Low mileage is a sign that a fleet has too many vehicles or the cars are inefficiently used.

(Report 2001-94)

EDUCATION

During 2001 the State Auditor's Office conducted audits on a variety of educational institutions and reviewed such items as contracts, retirement systems, affiliations with not-for-profit organizations and expenditures.



As a part of an audit of the Missouri School for the Blind, the State Auditor's Office reviewed records of the "It Is The Soul That Sees Foundation, Inc.", a not-for-profit corporation which supplements the financial needs of the school. Our review found that at least \$1.7 million of collections intended for the Missouri School for the Blind were deposited in the accounts of the Foundation rather than the Missouri School for the Blind Trust Fund. The audit also found that the Missouri School for the Blind has not complied with policies established by the State Board of Education and the Department of Elementary and Secondary Education, nor has the department provided adequate oversight of the school's operations to ensure compliance with department policies.

(Report No. 2001-62)



An audit conducted of the Kansas City Metropolitan Community Colleges found that it subsidizes most of the operating expense of its Foundation, a not-for profit corporation established to receive donations and provide financial support and assistance, which may violate provisions of the Missouri Constitution. The Chancellor's fiscal year 2000 compensation was not accurately reported to the Missouri Department of Higher Education and approximately \$200,000 was paid for food costs during fiscal year 2000, not including expense account reimbursements. In addition, criminal background checks on prospective employees are not initiated by the Human Resources Department, and the information obtained by other departments through these background checks is not maintained in the Human Resources Department.

(Report No. 2001-50)

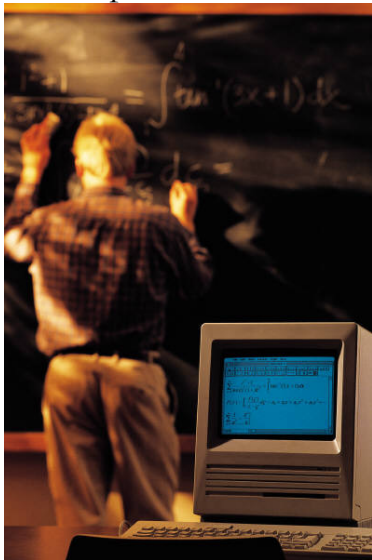


Questionable practices at Missouri Southern State College include questionable contracting practices, concerns of nepotism, weak travel policies, public funding of a private nonprofit organization, overpayments to seminar coordinators, and unreasonable and improper expenditures. Between July 1, 1998 and March 31, 2000, the college spent approximately \$655,000 on international travel. With formal written travel policies we noted inaccurate reporting of trip expenditures, and no bidding of travel agents. In addition, the college pays the operating expenses for the Missouri Southern International Piano Competition, a nonprofit organization run by the college President's wife.

Several expenditures appear unreasonable and improper. These include, the college paying \$30,317 for a \$1.5 million life insurance policy for the College President when it is the beneficiary for only \$500,000 of the policy, and excess fees collected from continuing education students to fund two \$882 trips to New York City for two college secretaries. Additionally, during fiscal years 1998 and 1999, the college spent more than \$22,000 hosting a formal Christmas ball for employees and the Board of Regents.

(Report No. 2001-11)

The implementation of the University of Missouri system's Voluntary Early



Retirement Incentive Program-2000, was a system-wide effort to upgrade the professor corps and redirect money throughout the University's four campuses. Overall, the University accomplished its goal of creating an incentive to encourage retirements, with about 42 percent of eligible employees taking the incentive. One negative of the program was a provision allowing University officials to rehire certain early retirees. This provision was applied inconsistently from campus to campus. Nine faculty members on various campuses, who had already agreed to retire with a cash buyout, also received the early retirement incentives. The University paid these faculty members more than \$648,000 in buyout

incentives and will pay an estimated additional \$624,000 in pension benefits for their participation in the early retirement program. More proactive management of the rehire program could have prevented many of the inequities.

(Report No. 2001-49)

KANSAS CITY MISSOURI SCHOOL DISTRICT TEXTBOOK PROCUREMENT SYSTEM



Budgeting and accounting concerns appear to have been the principal cause for the delay in ordering and receiving certain textbooks for the 2000-2001 school year. The Kansas City Missouri School District contracted with a used textbook vendor to provide textbook procurement, warehousing, and inventory management. The district has paid this vendor a total of \$1.1 million for textbook purchases and

related fees through March 2001. The school district did not solicit proposals from other vendors and did not fully evaluate the costs and benefits of other alternatives. In addition the district did not adequately monitor the terms of the contract with the vendor and was overcharged in fulfillment fees and freight costs.

(Report No. 2001-81)

GENERAL OBLIGATION BOND SALES PRACTICES

An average of 87 percent of Missouri's general obligation bonds sold since 1993 were issued without the benefit of competitive bidding. Had the bonds been sold competitively based on the interest rates competitive issues received, Missouri taxpayers would have saved \$83.2 million in excess interest costs. Missouri's private bond sales are more than double national averages even though our state has one of the strongest bond markets in the nation. General obligation bond debt is guaranteed by the government entity that issues the bonds. Therefore, government entities that issue these bonds should strive for the lowest cost.

(Report No. 2001-04)

MANAGEMENT AND CONTROL FOR CANINE SALES

The State of Missouri has the highest percentage of licensed commercial dog breeders in the nation, yet we found the state program that regulates these breeders to



be ineffective in four main areas: spotty state inspections with few sanctions; appearance of conflicts of interest in top management; state inspections less thorough than federal inspections; and lax program performance measures.

Average state inspections took only 15 to 30 minutes, as compared to an average 90 minute federal inspection. In addition, there was no coordinating of inspections between state and federal inspectors, which can cause overlapping inspections. State program officials preferred to “encourage” breeders to improve, rather than issue sanctions. This philosophy meant inspectors often told breeders about violations rather than recoding or fining them, leaving little paper trail to track violations and giving breeders little incentive to correct problems.

As a result of our audit, the program coordinator and an inspector have been reassigned to other duties within the Department of Agriculture due to a possible conflict of interest and the Department of Agriculture has assisted local law enforcement with raids on problem commercial breeders.

(Report No. 2001-09)

NEW INITIATIVES WITHIN THE STATE AUDITOR'S OFFICE

ENHANCED WEB SITE www.auditor.state.mo.us

The office's web site has been expanding throughout the year. All audit reports issued in 1999, 2000, and 2001 are listed on the site and each audit report is categorized in order to locate it quickly and easily. These reports are posted for individuals to view and print. There are "Yellow Sheet" summations available for each audit.

In addition, posted on the office's web site are bonds registered with the office. The date of registration, whom the bond was issued by, and the amount of the bond are listed on the site. There is also a link to the individual bond registration report that contains additional information, such as the purpose of the bond and election results. The web site lists all the bond registrations for 1999, 2000, and 2001.

Furthermore, anyone can request an audit report(s) by contacting the State Auditor's Office through e-mail at moaudit@auditor.state.mo.us or writing to the office under the "Your Input" section on our website. Individuals may also contact the office by mail or by telephone.

CONTACTING THE STATE AUDITOR'S OFFICE

There are several ways to contact the office:

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APPENDIX A

Office of the Missouri State Auditor Audit Reports Delivered from January 1, 2001 through December 31, 2001

<u>AUDIT</u>	<u>DATE ISSUED</u>	<u>AUDIT NUMBER</u>
Moniteau County	12-31-2001	2001-123
State Departments Affiliated with Not-For-Profit Foundations	12-31-2001	2001-122
Review of 2001 Property Tax Rates	12-28-2001	2001-121
Abolishment of Township Government in Wright County	12-28-2001	2001-120
Missouri 3rd Class Counties	12-18-2001	2001-119
Reporting of Drug or Alcohol Traffic Convictions	12-18-2001	2001-118
Ste. Genevieve County	12-14-2001	2001-117
City of Howardville	12-12-2001	2001-116
Children's Trust Fund Board	11-30-2001	2001-115
Prosecuting Attorneys' and Circuit Attorneys' Retirement System	11-29-2001	2001-114
Management of Department of Mental Health Clients Places in Non-Institutional Facilities	11-28-2001	2001-113
St. Clair County Collector	11-20-2001	2001-112
City of Foristell	11-20-2001	2001-111
Missouri Department of Transportation Roadeos	10-26-2001	2001-110
Village of Arrow Point	10-25-2001	2001-109
Department of Public Safety Missouri State Water Patrol	10-23-2001	2001-108
Management of Caring Communities Program	10-16-2001	2001-107
Department of Social Services Division of Youth Services School Attendance Hours	10-04-2001	2001-106
Morgan County	09-28-2001	2001-105
Randolph County	09-28-2001	2001-104
Newton County	09-28-2001	2001-103
Ray County	09-27-2001	2001-102

<u>Daviess County</u>	09-27-2001	2001-101
<u>Lewis County</u>	09-27-2001	2001-100
<u>Holt County</u>	09-26-2001	2001-99
<u>Department of Economic Development - Division of Professional Registration - Missouri Board for Architects, Professional Engineers, and Professional Land Surveyors</u>	09-26-2001	2001-98
<u>Stoddard County</u>	09-25-2001	2001-97
<u>Lawrence County</u>	09-25-2001	2001-96
<u>State Departments' Travel Regulations, Policies, and Procedures</u>	09-25-2001	2001-95
<u>Audit of State Fleet Management</u>	09-25-2001	2001-94
<u>Crawford County</u>	09-24-2001	2001-93
<u>Barry County</u>	09-24-2001	2001-92
<u>Audit of Division of Child Support Enforcement Transition to the Family Support Payment Center</u>	09-22-2001	2001-91
<u>Mercer County</u>	09-20-2001	2001-90
<u>Webster County</u>	09-20-2001	2001-89
<u>Department of Corrections Kansas City Community Release Center</u>	09-20-2001	2001-88
<u>Howell County</u>	09-18-2001	2001-87
<u>Missouri Department of Transportation 5-Year Road and Bridge Program</u>	09-18-2001	2001-86
<u>Management of Cellular Telephones At State Agencies</u>	09-17-2001	2001-85
<u>State Agency - Provided Food Expenditures</u>	09-11-2001	2001-84
<u>Marion County</u>	09-10-2001	2001-83
<u>Missouri Department of Transportation Condition of Missouri's Highway Infrastructure and Related Expenditures</u>	09-06-2001	2001-82
<u>Review of the Textbook Vendor Contract and Related Procedures - Kansas City 33 School District</u>	09-06-2001	2001-81
<u>Texas County</u>	09-04-2001	2001-80
<u>Department of Economic Development Division of Motor Carrier and Railroad Safety</u>	08-31-2001	2001-79
<u>Schuyler County</u>	08-31-2001	2001-78
<u>Ripley County</u>	08-31-2001	2001-77
<u>Ralls County</u>	08-31-2001	2001-76
<u>Pemiscot County</u>	08-31-2001	2001-75

<u>Nodaway County</u>	08-31-2001	2001-74
<u>Henry County</u>	08-31-2001	2001-73
<u>Dunklin County</u>	08-31-2001	2001-72
<u>Clark County</u>	08-31-2001	2001-71
<u>Carroll County</u>	08-31-2001	2001-70
<u>Butler County</u>	08-31-2001	2001-69
<u>St. Clair County</u>	08-28-2001	2001-68
<u>18th Judicial Circuit Associate Division III Municipal Division - Cooper County</u>	08-28-2001	2001-67
<u>Putnam County</u>	08-27-2001	2001-66
<u>Department of Economic Development - Administrative Services, Economic Development Groups, and Missouri Community Service Commission</u>	08-24-2001	2001-65
<u>Department of Economic Development Division of Professional Registration and the Missouri State Board of Nursing</u>	08-22-2001	2001-64
<u>Management of Outstanding Warrants</u>	08-16-2001	2001-63
<u>Department of Elementary and Secondary Education Missouri School for the Blind</u>	08-15-2001	2001-62
<u>Laclede County</u>	08-07-2001	2001-61
<u>Madison County</u>	08-03-2001	2001-60
<u>Howard County</u>	08-03-2001	2001-59
<u>Audit of Department of Social Services Electronic Benefit Security Card and Electronic Benefit Transfer Benefit Delivery System</u>	08-03-2001	2001-58
<u>Harrison County</u>	08-01-2001	2001-57
<u>Pulaski County</u>	07-24-2001	2001-56
<u>Management of Drugs at the Department of Mental Health - Division of Comprehensive Psychiatric Services' State-Operated Facilities</u>	07-20-2001	2001-55
<u>Review of Article X Sections 16 through 24 Constitution of Missouri</u>	07-10-2001	2001-54
<u>Phelps County</u>	07-06-2001	2001-53
<u>Grundy County</u>	07-05-2001	2001-52
<u>Scotland County</u>	07-02-2001	2001-51
<u>Kansas City Metropolitan Community Colleges</u>	06-28-2001	2001-50
<u>University of Missouri System Voluntary Early Retirement Incentive Program - 2000</u>	06-28-2001	2001-49
<u>Village of Clyde</u>	06-27-2001	2001-48

<u>Use of Highway Funds by Other State Agencies</u>	06-19-2001	2001-47
<u>City of Wood Heights</u>	06-07-2001	2001-46
<u>Missouri State Employees' Retirement System</u>	06-05-2001	2001-45
<u>Missouri Department of Transportation and Missouri State Highway Patrol Medical and Life Insurance Plan</u>	05-29-2001	2001-44
<u>Department of Agriculture State Milk Board</u>	05-29-2001	2001-43
<u>Office of State Treasurer</u>	05-24-2001	2001-42
<u>Department of Labor and Industrial Relations Computer Security Controls</u>	05-24-2001	2001-41
<u>Warren County</u>	05-21-2001	2001-40
<u>Department of Revenue Division of Taxation and Collection Sales and Use Tax</u>	05-15-2001	2001-39
<u>Department of Conservation</u>	05-14-2001	2001-38
<u>Department of Higher Education State Guaranty Student Loan Program</u>	05-10-2001	2001-37
<u>Division of Finance and Regulation of Instant Loan Industry</u>	05-09-2001	2001-36
<u>Petroleum Storage Tank Insurance Fund</u>	04-19-2001	2001-35
<u>Review of Pharmaceutical Tax Credit for Senior Citizens</u>	04-18-2001	2001-34
<u>Compliance with Sunshine Law Requirements - State Agencies, Boards and Commissions</u>	04-17-2001	2001-33
<u>Review of Independent Audits of Fire Protection Districts in St. Louis County</u>	04-12-2001	2001-32
<u>Missouri Local Government Employees Retirement System</u>	04-12-2001	2001-31
<u>City of Neosho</u>	03-29-2001	2001-30
<u>Collection and Distribution of Restitution for Crime Victims</u>	03-29-2001	2001-29
<u>Crime Victims Compensation Program</u>	03-29-2001	2001-28
<u>Nursing Home Medicaid Reimbursement Program</u>	03-28-2001	2001-27
<u>Public Water Supply District Number 16</u>	03-27-2001	2001-26
<u>Wright County</u>	03-26-2001	2001-25
<u>Bates County</u>	03-23-2001	2001-24
<u>Office of Secretary of State</u>	03-22-2001	2001-23
<u>Missouri Investment Trust</u>	03-22-2001	2001-22
<u>Highway and Transportation Employees' and Highway Patrol Retirement System</u>	03-21-2001	2001-21

<u>Audit of Management and Oversight of Contractors Responsible for Care of People with Developmental Disabilities</u>	03-15-2001	2001-20
<u>New Bloomfield R-III School District</u>	03-13-2001	2001-19
<u>City of Northwoods</u>	03-12-2001	2001-18
<u>State of Missouri Single Audit</u>	03-07-2001	2001-17
<u>Office of State Treasurer</u>	03-02-2001	2001-16
<u>Office of Governor</u>	03-02-2001	2001-15
<u>Office of Lieutenant Governor</u>	03-02-2001	2001-14
<u>Review of State Tax Credits Administered by the Department of Economic Development</u>	02-23-2001	2001-13
<u>16th Judicial Circuit - City of Kansas City</u>	02-22-2001	2001-12
<u>Missouri Southern State College</u>	02-22-2001	2001-11
<u>St. Louis Board of Police Commissioners</u>	02-21-2001	2001-10
<u>Audit of Animal Care Facilities Inspection Program</u>	02-15-2001	2001-09
<u>Department of Revenue Division of Administration</u>	02-13-2001	2001-08
<u>Hickory County</u>	02-08-2001	2001-07
<u>Statewide Financial Statements - General</u>	02-06-2001	2001-06
<u>Shannon County</u>	01-30-2001	2001-05
<u>Audit of General Obligations Bond Sales Practices</u>	01-29-2001	2001-04
<u>City of Washburn</u>	01-29-2001	2001-03
<u>Missouri Department of Transportation Follow-Up on State Auditor's Prior Findings and Other Matters</u>	01-03-2001	2001-02
<u>Reorganized School District No. 1 of Moniteau County</u>	01-03-2001	2001-01

<p>Copies of the year 2001 audits or other audit reports can be obtained by contacting the State Auditor's Office by phone at (573) 751-4213, by e-mail at moaudit@auditor.state.mo.us, or by mail at P.O. Box 869, Jefferson City, Missouri 65102.</p>

APPENDIX B

Bonds Registered with the Missouri State Auditor's Office

The Missouri State Auditor's Office is responsible for reviewing and registering general obligation bonds issued by political subdivisions in Missouri, with certain exceptions, to ensure those bonds comply with both state law and the conditions of the contracts under which the bonds are issued. Information regarding each bond issue registered with this office since January 1, 2001 to December 31, 2001 are listed below.

Date of Registration	Bonds Issued By	Amount of Issue
12-26-2001	<u>Monett R-I School District</u>	\$3,060,000.00
12-26-2001	<u>Meramec Valley R-III School District</u>	\$6,275,000.00
12-26-2001	<u>Lincoln County R-IV School District</u>	\$1,460,000.00
12-20-2001	<u>Liberty Public School District No. 53</u>	\$3,000,000.00
12-20-2001	<u>Reorganized School District R-2</u>	\$4,450,000.00
12-19-2001	<u>Richmond R-XVI School District</u>	\$2,840,000.00
12-18-2001	<u>City of Liberty</u>	\$9,900,000.00
12-14-2001	<u>Johnson County, Missouri</u>	\$60,000.00
12-12-2001	<u>Redings Mill Fire Protection District</u>	\$968,100.00
12-11-2001	<u>Callaway County, Missouri</u>	\$187,000.00
12-10-2001	<u>Farmington R-7 School District</u>	\$5,130,000.00
12-10-2001	<u>St. James R-I School District</u>	\$1,465,000.00
12-10-2001	<u>Boone County R-IV School District of Hallsville, Missouri</u>	\$600,000.00
12-10-2001	<u>Troy R-III School District</u>	\$6,700,000.00
12-04-2001	<u>Riverside-Quindaro Bend Levee District</u>	\$22,100,000.00
12-03-2001	<u>City of Kearney</u>	\$7,915,000.00
11-30-2001	<u>City of Sullivan</u>	\$1,235,000.00
11-30-2001	<u>West Nodaway County R-I School District</u>	\$790,000.00
11-30-2001	<u>City of Belton</u>	\$6,000,000.00
11-28-2001	<u>Boone County R-IV School District of Hallsville, Missouri</u>	\$2,390,000.00

11-26-2001	<u>School District of North Kansas City</u>	\$21,000,000.00
11-19-2001	<u>City of Weldon Spring</u>	\$1,040,000.00
11-15-2001	<u>Liberty Public School District No. 53</u>	\$18,200,000.00
11-15-2001	<u>Lawson Reorganized School District No. R-XIV</u>	\$2,935,000.00
11-14-2001	<u>Advance R-IV School District</u>	\$1,000,000.00
11-14-2001	<u>Mexico School District No. 59</u>	\$1,895,000.00
11-14-2001	<u>Mexico School District No. 59</u>	\$1,100,000.00
11-09-2001	<u>Boone County</u>	\$305,000.00
11-06-2001	<u>Webb City R-VII School District</u>	\$2,190,000.00
11-06-2001	<u>Brookfield R-III School District</u>	\$1,680,000.00
11-05-2001	<u>City of Lake Ozark</u>	\$76,000.00
11-02-2001	<u>City of Rogersville</u>	\$1,000,000.00
11-01-2001	<u>Meadville R-IV School District</u>	\$1,355,000.00
10-31-2001	<u>King City R-I School District</u>	\$1,005,000.00
10-04-2001	<u>City of Platte City</u>	\$2,000,000.00
10-04-2001	<u>Louisiana R-II School District</u>	\$2,720,345.80
09-20-2001	<u>Rockwood R-6 School District</u>	\$38,500,000.00
09-11-2001	<u>City of Maryville</u>	\$2,400,000.00
09-06-2001	<u>Andrew County, Missouri</u>	\$121,000.00
08-31-2001	<u>Ritenour School District</u>	\$3,454,472.30
08-29-2001	<u>Morgan County</u>	\$84,000.00
08-29-2001	<u>Morgan County</u>	\$123,000.00
08-29-2001	<u>Morgan County</u>	\$110,000.00
08-28-2001	<u>Parkway C-2 School District</u>	\$15,000,000.00
08-27-2001	<u>Smithville R-II School District</u>	\$100,000.00
08-27-2001	<u>City of Truesdale</u>	\$150,000.00
08-22-2001	<u>Lindbergh R-8 School District</u>	\$6,835,000.00
08-21-2001	<u>Mirabile C-1 School District</u>	\$250,000.00
08-17-2001	<u>Eminence Reorganized School District #1</u>	\$300,000.00
08-17-2001	<u>Orchard Farm R-V School District</u>	\$4,000,000.00
08-15-2001	<u>West County EMS and Fire Protection District</u>	\$5,000,000.00
08-13-2001	<u>Delta Consolidated School District No. 7</u>	\$1,300,000.00

08-09-2001	<u>Central County Fire Protection and Rescue District</u>	\$5,000,000.00
08-08-2001	<u>Eminence Reorganized School District #1</u>	\$800,000.00
08-08-2001	<u>Eminence Reorganized School District #1</u>	\$1,000,000.00
08-06-2001	<u>School District of Maplewood-Richmond Heights</u>	\$15,419,099.70
08-06-2001	<u>Reorganized School District No. 6</u>	\$750,000.00
08-01-2001	<u>Ozark Reorganized School District No. 6</u>	\$3,515,000.00
07-27-2001	<u>Normandy School District</u>	\$2,325,000.00
07-24-2001	<u>Belton School District No. 124</u>	\$9,500,000.00
07-18-2001	<u>Wentzville R-IV School District</u>	\$10,000,000.00
07-18-2001	<u>Grandview, Missouri</u>	\$2,385,000.00
07-18-2001	<u>Jackson Township</u>	\$125,000.00
07-13-2001	<u>Reorganized School District No. 6</u>	\$218,000.00
07-10-2001	<u>Crocker Reorganized School District No. R-II</u>	\$1,000,000.00
07-10-2001	<u>Crocker Reorganized School District No. R-II</u>	\$1,300,000.00
07-09-2001	<u>Lonedell R-XIV School District</u>	\$475,000.00
07-03-2001	<u>Blackburn-Elmwood Special Road District</u>	\$200,000.00
06-29-2001	<u>City of Battlefield</u>	\$790,000.00
06-27-2001	<u>City of Maplewood</u>	\$5,655,000.00
06-27-2001	<u>Caruthersville School District No. 18</u>	\$1,000,000.00
06-27-2001	<u>Caruthersville School District No. 18</u>	\$1,000,000.00
06-27-2001	<u>Caruthersville School District No. 18</u>	\$500,000.00
06-27-2001	<u>City of Hazelwood</u>	\$1,030,000.00
06-26-2001	<u>Antonia Fire Protection District</u>	\$3,000,000.00
06-25-2001	<u>School District of the City of Crystal City</u>	\$3,200,000.00
06-25-2001	<u>School District of Columbia</u>	\$3,805,000.00
06-22-2001	<u>Kingsville R-I School District</u>	\$1,600,000.00
06-22-2001	<u>Mid-Buchanan R-V School District</u>	\$3,000,000.00
06-21-2001	<u>School District of the City of Ladue</u>	\$40,900,000.00
06-21-2001	<u>Reorganized School District R-1</u>	\$12,995,000.00
06-21-2001	<u>La Plata R-II School District</u>	\$1,600,000.00
06-20-2001	<u>Oregon-Howell R-III School District</u>	\$1,100,000.00

06-13-2001	<u>Brentwood School District</u>	\$6,000,000.00
06-13-2001	<u>State of Missouri, Stormwater Control General Obligation Bond, Series A 2001</u>	\$10,000,000.00
06-13-2001	<u>State of Missouri, Water Pollution Control General Obligation Bond, Series A 2001</u>	\$20,000,000.00
06-13-2001	<u>Monroe Township</u>	\$100,000.00
06-12-2001	<u>Cass County R-V School District</u>	\$995,000.00
06-12-2001	<u>East Newton County R-VI School District</u>	\$3,800,000.00
06-12-2001	<u>City of Parnell</u>	\$69,000.00
06-11-2001	<u>Clinton County R-III School District</u>	\$6,000,000.00
06-07-2001	<u>Boone County R-IV School District of Hallsville, Missouri</u>	\$2,260,000.00
06-06-2001	<u>Wellsville Middletown R-I School District</u>	\$2,200,000.00
06-06-2001	<u>Consolidated School District No. 4</u>	\$8,000,000.00
06-05-2001	<u>Reorganized School District No. 1</u>	\$6,000,000.00
06-05-2001	<u>Southern Reynolds County R-II School District</u>	\$870,000.00
06-04-2001	<u>Pierce City R-VI School District</u>	\$1,750,000.00
05-31-2001	<u>Marceline R-V School District</u>	\$1,750,000.00
05-31-2001	<u>School District of Columbia</u>	\$15,000,000.00
05-29-2001	<u>Windsor C-1 School District</u>	\$8,000,000.00
05-29-2001	<u>Reorganized School District R-3</u>	\$8,525,000.00
05-25-2001	<u>New Bloomfield R-III School District</u>	\$3,100,00.00
05-24-2001	<u>St. James R-I School District</u>	\$6,975,000.00
05-23-2001	<u>Scott City R-I School District</u>	\$3,500,000.00
05-22-2001	<u>Pilot Grove C-4 School District</u>	\$1,590,000.00
05-22-2001	<u>Buchanan County R-IV School District</u>	\$2,100,000.00
05-21-2001	<u>Town of Loma Linda</u>	\$346,200.00
05-16-2001	<u>Oak Ridge R-VI School District</u>	\$1,950,000.00
05-16-2001	<u>School District of Joplin R-VIII</u>	\$9,700,000.00
05-15-2001	<u>Bakersfield R-IV School District</u>	\$185,000.00
05-14-2001	<u>Reorganized School District No. R-IV</u>	\$10,000,000.00
05-14-2001	<u>Lincoln County, Missouri</u>	\$700,000.00

05-10-2001	<u>Holcomb School District R-3</u>	\$1,000,000.00
05-03-2001	<u>Ozark Reorganized School District No. 6</u>	\$10,000,000.00
05-02-2001	<u>Northwest R-I School District</u>	\$2,425,000.00
05-01-2001	<u>Union Township</u>	\$75,000.00
04-30-2001	<u>Consolidated School District No. 2</u>	\$9,280,000.00
04-25-2001	<u>Dexter R-XI School District</u>	\$5,000,000.00
04-25-2001	<u>Fayette R-III School District</u>	\$2,000,000.00
04-23-2001	<u>Warrensburg, Missouri</u>	\$105,000.00
05-18-2001	<u>School District of Webster Groves</u>	\$3,000,000.00
04-05-2001	<u>City of Freeman</u>	\$280,000.00
04-05-2001	<u>City of Scott City</u>	\$2,240,000.00
04-02-2001	<u>City of Lilbourn</u>	\$150,000.00
03-27-2001	<u>Reorganized School District No. R-VI</u>	\$1,900,000.00
03-27-2001	<u>Santa-Fe R-X School District</u>	\$630,000.00
03-20-2001	<u>Plato Reorganized School District No. R-V</u>	\$1,000,000.00
03-15-2001	<u>City of St Charles</u>	\$15,200,000.00
03-14-2001	<u>Grain Valley R-V School District</u>	\$3,500,000.00
03-13-2001	<u>Reorganized School District No. 4</u>	\$29,500,000.00
03-12-2001	<u>Twin Rivers Reorganized School District No. 10</u>	\$1,000,000.00
03-12-2001	<u>Sunrise Beach Fire Protection District</u>	\$1,860,000.00
03-08-2001	<u>Consolidated School District No. 2 (Raytown)</u>	\$27,000,000.00
03-07-2001	<u>Fort Zumwalt School District</u>	\$17,000,000.00
03-05-2001	<u>City of Parkville</u>	\$3,985,000.00
03-01-2001	<u>Hamilton R-II School District</u>	\$855,000.00
02-28-2001	<u>Francis Howell School District</u>	\$9,998,236.20
02-27-2001	<u>City of Nixa</u>	\$2,000,000.00
02-27-2001	<u>City of Nixa</u>	\$4,100,000.00
02-27-2001	<u>Park Hill School District</u>	\$6,980,000.00
02-27-2001	<u>Center 58 School District</u>	\$19,000,000.00
02-23-2001	<u>Platte County, Missouri</u>	\$7,375,000.00
02-22-2001	<u>Kingston K-14 School District</u>	\$1,050,000.00
02-21-2001	<u>City of O'Fallon</u>	\$13,015,000.00

02-21-2001	<u>Concordia R-II School District</u>	\$1,360,000.00
02-16-2001	<u>Reorganized School District No. 7</u>	\$9,225,000.00
02-14-2001	<u>City of Lake Saint Louis</u>	\$2,500,000.00
02-07-2001	<u>Kirkwood School District R-7</u>	\$11,255,000.00
02-07-2001	<u>Meadow Heights R-II School District</u>	\$490,000.00
01-29-2001	<u>New Madrid County R-1 School District</u>	\$2,895,000.00
01-29-2001	<u>Putnam County R-I School District</u>	\$990,000.00
01-29-2001	<u>North Callaway County R-1 School District</u>	\$2,800,000.00
01-26-2001	<u>Excelsior Springs 40 School District</u>	\$4,000,985.10
01-26-2001	<u>City of Kirkwood</u>	\$6,750,000.00
01-24-2001	<u>Wright City R-II School District</u>	\$490,000.00
01-23-2001	<u>Fort Osage School District R-1</u>	\$8,000,000.00
01-18-2001	<u>Reorganized School District R-II</u>	\$6,000,000.00
01-12-2001	<u>Campbell Reorganized School District No. 2</u>	\$1,506,000.00
01-12-2001	<u>Newburg Reorganized School District No. 2</u>	\$250,000.00
01-12-2001	<u>Newburg Reorganized School District No. 2</u>	\$1,000,000.00

APPENDIX C

Office of the Missouri State Auditor

List of Political Subdivisions that are not in compliance with the Hancock Amendment

County	Political Subdivision Name	Levy Purpose	Excess Revenues
Crawford	<u>Steelville Ambulance</u>	General Revenue	7,400
Dent	<u>Green Forest R-II School</u>	Operating Funds	268
Holt	<u>City of Oregon</u>	General Revenue	3,570
Howard	<u>Moniteau Creek Watershed</u>	General Revenue	21,787
Jasper	<u>Carthage Special Road</u> <u>City of Sarcoxie</u>	Road & Bridge	66,371
		General Revenue	13,437
		Parks & Recreation	2,565
		Health	3,160
Madison	<u>Village of Cobalt City</u>	General Revenue	121
Marion	<u>Palmyra R-I School</u>	Debt Service	726
Pulaski	<u>Swedeborg R-III School</u>	Operating Funds	763
Ralls	<u>Hannibal Rural Fire</u>	General Revenue	2,261
St. Clair	<u>Iconium Fire</u>	General Revenue	10,822
St. Louis	<u>Village of Marlborough</u>	General Revenue	1,010
	<u>City of Richmond Heights</u>	Library	10,937
	<u>Kinloch Fire</u>	Dispatch	478
	<u>Lemay Fire</u>	Pension	3,923
	<u>Sugar Creek - St. Louis</u>		
	<u>County</u>	General Revenue	9,679
Texas	<u>Licking R-VIII School</u>	Operating Funds	107
	<u>Plato R-V School</u>	Operating Funds	305