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CITIZENS SUMMARY

Findings in the audit of the Office of Secretary of State

<p>Business Services Division Electronic Payment Collections</p>	<p>The Business Services Division of the Secretary of State's office (SOS) did not have adequate procedures to ensure electronic payments for business filings were correctly allocated to two state funds. Net allocation errors resulted in at least \$120,000 wrongly allocated to the General Revenue Fund rather than the SOS's Technology Trust Fund. After auditors alerted SOS personnel to the errors; in July 2015, the office implemented procedures to address the issue.</p>
<p>Incomplete Documentation</p>	<p>The SOS did not maintain complete documentation to support salary increases provided to many employees. Auditors reviewed documents and spoke with SOS personnel regarding a sampling of raises and found that the office did not always adequately document the reasons increases were given. Memos written to support raises for reasons other than promotion did not contain critical information, including who prepared and reviewed the memos and the dates they were written. For many raises, the documentation was inadequate, lacking clear detail and/or conflicting with other documentation or explanations provided by SOS personnel. For example, 10 raises for increased workload, additional duties and/or responsibilities were not supported by documentation detailing the workload increases or specific additional duties/responsibilities.</p>

In the areas audited, the overall performance of this entity was **Good**.*

*The rating(s) cover only audited areas and do not reflect an opinion on the overall operation of the entity. Within that context, the rating scale indicates the following:

- Excellent:** The audit results indicate this entity is very well managed. The report contains no findings. In addition, if applicable, prior recommendations have been implemented.
- Good:** The audit results indicate this entity is well managed. The report contains few findings, and the entity has indicated most or all recommendations have already been, or will be, implemented. In addition, if applicable, many of the prior recommendations have been implemented.
- Fair:** The audit results indicate this entity needs to improve operations in several areas. The report contains several findings, or one or more findings that require management's immediate attention, and/or the entity has indicated several recommendations will not be implemented. In addition, if applicable, several prior recommendations have not been implemented.
- Poor:** The audit results indicate this entity needs to significantly improve operations. The report contains numerous findings that require management's immediate attention, and/or the entity has indicated most recommendations will not be implemented. In addition, if applicable, most prior recommendations have not been implemented.

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