

BUCHANAN COUNTY, MISSOURI

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AND INDEPENDENT AUDITORS' REPORTS AS REQUIRED
BY *GOVERNMENT AUDITING STANDARDS* AND
UNIFORM GRANT GUIDANCE**

YEAR ENDED DECEMBER 31, 2022



CPAs | CONSULTANTS | WEALTH ADVISORS

CLAcconnect.com

**BUCHANAN COUNTY, MISSOURI
TABLE OF CONTENTS
YEAR ENDED DECEMBER 31, 2022**

INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH <i>GOVERNMENT AUDITING STANDARDS</i>	1
INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM, REPORT ON INTERNAL CONTROL OVER COMPLIANCE, AND REPORT ON THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS REQUIRED BY THE UNIFORM GUIDANCE	3
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS	7
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS	8
SCHEDULE OF FINDINGS AND QUESTIONED COSTS	9



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

Buchanan County Commission
Buchanan County, Missouri

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Buchanan County, Missouri (the County), as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the County's basic financial statements and have issued our report thereon dated September 27, 2023. Our report contains a qualified opinion on the aggregate discretely presented component units, and unmodified opinions on the governmental activities, each major fund and the aggregate remaining fund information. Buchanan County Tourism Board and Regional Emergency Medical Services Authority, included in the aggregate discretely presented component units were not audited in accordance with *Government Auditing Standards*, and accordingly, this report does not include reporting on internal control over financial reporting or instances of reportable noncompliance associated with those entities.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Buchanan County, Missouri's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Buchanan County, Missouri's internal control. Accordingly, we do not express an opinion on the effectiveness of Buchanan County, Missouri's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described in the accompanying schedule of findings and questioned costs, we identified certain deficiencies in internal control that we consider to be material weaknesses and significant deficiencies.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. We consider the deficiency described in the accompanying schedule of findings and questioned costs as item 2022-001 to be a material weakness.

A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the deficiency described in the accompanying schedule of findings and questioned costs as item 2022-002 to be a significant deficiency.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Buchanan County, Missouri's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Buchanan County's Responses to Findings

Government Auditing Standards requires the auditor to perform limited procedures on Buchanan County's responses to the findings identified in our audit and described in the accompanying schedule of findings and questioned costs. The County's responses were not subjected to auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the responses.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the County's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



CliftonLarsonAllen LLP

Kansas City, Missouri
September 27, 2023



INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM, REPORT ON INTERNAL CONTROL OVER COMPLIANCE, AND REPORT ON THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS REQUIRED BY THE UNIFORM GUIDANCE

Buchanan County Commission
Buchanan County, Missouri

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Buchanan County, Missouri's (the County) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on the County's major federal programs for the year ended December 31, 2022. The County's major federal programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs.

In our opinion, Buchanan County complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2022.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Buchanan County and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of Buchanan County's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to Buchanan County's federal programs.

Auditors' Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Buchanan County, Missouri's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about Buchanan County, Missouri's compliance with each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding Buchanan County, Missouri's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of Buchanan County, Missouri's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of Buchanan County, Missouri's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Other Matters

The results of our auditing procedures disclosed an instance of noncompliance, which is required to be reported in accordance with the Uniform Guidance and which are described in the accompanying schedule of findings and questioned costs as items 2022-003. Our opinion on each major federal program is not modified with respect to these matters.

Government Auditing Standards requires the auditor to perform limited procedures on Buchanan County, Missouri's response to the noncompliance findings identified in our compliance audit described in the accompanying schedule of findings and questioned costs. Buchanan County, Missouri's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Report on Internal Control Over Compliance

Our consideration of internal control over compliance was for the limited purpose described in the Auditors' Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, as discussed below, we did identify certain deficiencies in internal control over compliance that we consider to be a significant deficiency.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as item 2022-003, to be a significant deficiency.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

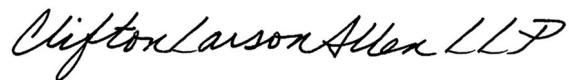
Buchanan County's Response to Finding

Government Auditing Standards require the auditor to perform limited procedures on Buchanan County, Missouri's response to the internal control over compliance finding identified in our audit described in the accompanying Schedule of Findings and Questioned Costs. Buchanan County, Missouri's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the financial statements of Buchanan County, Missouri, (the County) as of and for the year ended December 31, 2022 and have issued our report thereon dated September 27, 2023, which contained a qualified opinion on the aggregate discretely presented component unit; and unmodified opinions on the governmental activities, each major fund and the aggregate remaining fund information. Our audit was performed for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.



CliftonLarsonAllen LLP

Kansas City, Missouri
September 27, 2023

BUCHANAN COUNTY, MISSOURI
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED DECEMBER 31, 2022

Federal Grantor/Pass-Through Agency/Grant Program Title or Cluster Name	Federal Assistance Listing Number	Pass-Through Entity Identifying Number	Current Year Expenditures	Passed Through to Subrecipients
U.S. Department of Justice				
Direct Program:				
Equitable Sharing Program	16.922	Not Applicable	\$ 22,544	\$ -
Passed through the Missouri Department of Public Safety:				
Edward Byrne Memorial Justice Assistance Grant Program	16.738	2022-MU-BX-0059	138,865	-
Edward Byrne Memorial Justice Assistance Grant Program	16.738	15PBJA-21-GG-00249- MUMU-03-S-JAG 22	138,865	-
Total Edward Byrne Memorial Justice Assistance Grant Program			277,730	-
Passed through Missouri Prosecuting Attorneys Association:				
Crime Victim Assistance	16.575	MAPABuchanan 19-21	43,975	-
Crime Victim Assistance	16.575	ER130200072	48,806	-
Total Crime Victim Assistance Program			92,781	-
Total U.S. Department of Justice			393,055	-
U.S. Department of Transportation				
National Highway Cluster				
Passed through the Missouri Department of Transportation:				
State and Community Highway Safety	20.600	22-PT-02-067	4,905	-
Total State and Community Highway Safety Program			4,905	-
Total National Highway Cluster			4,905	-
Highway Planning and Construction Cluster				
Passed through the Missouri Department of Transportation:				
Highway Planning and Construction	20.205	BRO-B011(33)	4,816	-
Total Highway Planning and Construction Cluster			4,816	-
Total U.S. Department of Transportation			9,721	-
U.S. Department of Health and Human Services				
Passed through the Missouri Department of Social Services:				
Child Support Enforcement IV-D	93.563	ER10220A002	997,467	-
State Court Improvement Program	93.586	21-01167-05	1,000	-
Total U.S. Department of Health and Human Services			998,467	-
U.S. Department of Homeland Security				
Passed through the Missouri Department of Public Safety:				
Emergency Management Performance Grant	97.042	EMK-2021-EP-00006-15	49,145	-
Total U.S. Department of Homeland Security			49,145	-
U.S. Department of Treasury				
Direct Program:				
COVID-19 Coronavirus State and Local Fiscal Recovery Funds	21.027	Not Applicable	3,048,699	-
Passed through the Missouri State Treasurer:				
COVID-19 Relief Fund	21.019	00257	195,941	-
Total U.S. Department of Treasury			3,244,640	-
Total Expenditures of Federal Awards			\$ 4,695,028	\$ -

See accompanying Notes to Schedule of Expenditures of Federal Awards.

BUCHANAN COUNTY, MISSOURI
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
DECEMBER 31, 2022

NOTE 1 REPORTING ENTITY

Buchanan County, Missouri, (the County) is the recipient of several federal awards. All federal awards received directly from federal agencies as well as those awards that are passed through other government agencies, are included on the schedule of expenditures of federal awards (the Schedule). The County's reporting entity is defined in Note 1 to the financial statements.

NOTE 2 BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards includes the federal award activity of the County under programs of the federal government for the year ended December 31, 2022. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) from the Office of Management and Budget (OMB). Because the Schedule presents only a selected portion of the operations of the County, it is not intended to and does not present the financial position, changes in net position, or cash flows of the County.

NOTE 3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* for all awards. Under these principles, certain types of expenditures are not allowable or are limited as to reimbursement.

NOTE 4 LOCAL GOVERNMENT CONTRIBUTIONS

Local cost sharing, as defined by the Uniform Guidance is required by certain federal grants. The amount of cost sharing varies with each program. Only the federal share of expenditures is presented in the Schedule.

NOTE 5 ADDITIONAL AUDITS

Grantor agencies reserve the right to conduct additional audits of the County's grant programs for economy and efficiency and program results that may result in disallowed costs to the County. However, management does not believe such audits would result in any disallowed costs that would be material to the County's financial position at December 31, 2022.

NOTE 6 INDIRECT COST RATE

The County charges indirect costs for the Circuit Clerk and the Child Support Enforcement Agency using the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

**BUCHANAN COUNTY, MISSOURI
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED DECEMBER 31, 2022**

Section I – Summary of Auditors’ Results

Financial Statements

1. Type of auditors’ report issued: Qualified Opinion on the aggregate discretely presented component units; unmodified opinions on the governmental activities, each major fund and the aggregate remaining fund information
2. Internal control over financial reporting:
- Material weakness(es) identified? x yes no
 - Significant deficiency(ies) identified that are not considered to be material weakness(es)? x yes none reported
3. Noncompliance material to financial statements noted? yes x no

Federal Awards

1. Internal control over major federal programs:
- Material weakness(es) identified? yes x no
 - Significant deficiency(ies) identified x yes none reported
2. Type of auditors’ report issued on compliance for major federal programs: Unmodified
3. Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? yes X no

Identification of Major Federal Programs

Assistance Listing Number(s)	Name of Federal Program or Cluster
21.027	COVID-19 Coronavirus State and Local Fiscal Recovery Funds
93.563	Child Support Enforcement Title IV-D

Dollar threshold used to distinguish between Type A and Type B programs: \$750,000

Auditee qualified as low-risk auditee? yes x no

BUCHANAN COUNTY, MISSOURI
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED DECEMBER 31, 2022

Section II – Financial Statement Findings

2022-001 Material Weakness in Financial Reporting

Type of Finding Material Weakness in Internal Control over Financial Reporting

Condition:

Management is responsible for establishing, maintaining, and monitoring internal controls over financial reporting, and for the fair presentation of the financial statements and related notes in conformity with accounting principles generally accepted in the United States of America.

As part of the audit, management requested us to prepare a draft of the financial statements, including the related notes to the financial statements. The County does not have an internal policy in place over the preparation or review of the annual financial statements that would enable management to prepare the financial statements and the related note disclosures.

There is a lack of formal policies over areas of the County's internal control system to allow employees to reference how to handle specific events on a routine basis. Specific conditions resulting from management not having formal policies or reconciliation procedures included:

- Adjustments were required to balance transfers between funds. Certain transfers were recorded as revenues and expenditures in the funds, rather than being recorded in interfund transfer accounts.
- Due to/from balances between funds were not in balance which required additional investigation and corrections in order to properly state the balances. Included in the due to/from accounts between funds are several balances that have remained open for a number of years. The physical transfer of cash between the funds will need to occur in order to resolve the balances.

Criteria:

County management is responsible for establishing and maintaining internal controls, including monitoring, and for the fair presentation of the financial statements in accordance with applicable accounting and reporting standards.

Cause:

Year-end procedures were not sufficient to identify the adjustments listed above in a timely manner and there are a limited number of personnel.

Effect:

Potential exists that material misstatements to the financial statements could occur and not be prevented or detected by the County's internal controls. These adjustments arose, primarily because management does not have a process in place to ensure that the trial balance used in financial statement preparation is final and contains all appropriate journal entries.

**BUCHANAN COUNTY, MISSOURI
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED DECEMBER 31, 2022**

Section II – Financial Statement Findings (Continued)

Repeat Finding:

Yes, 2021-001.

Recommendation:

The County should establish and document a well-defined process for financial reporting. The County should continue to assess its personnel needs including consideration of training and continuing professional educational opportunities that are essential in understanding of the County's financial reporting processes and requirements. We also recommend that a year-end checklist be developed to help ensure that errors are detected and corrected in the year end closing process.

Finally, due to the complexities of accounting for some of the County's transactions, we recommend that management explore various alternatives to improving the controls over financial reporting including, but not limited to, the use of governmental accounting standards and reference guides and financial statement completion and disclosure check lists provided by the Government Finance Officers Association (GFOA), the American Institute of Certified Public Accountants, (AICPA), the Governmental Accounting Standards Board (GASB) and other various financial publishing companies.

Management's Response

Management agrees with the recommendations and specifically regarding:

- Due to/from – While management believes some improvements were made regarding due to/from reconciliations and other audit schedules, certain audit schedules required some revisions. Management plans on implementing procedures to review these balances each month to ensure they remain in balance.

In response to the other financial reporting findings, Management will work to improve financial reporting and consider implementing the following procedures moving forward:

- A comprehensive manual has been completed. There is also a chart of accounts in our adopted budget book. This manual is complete enough that someone could run the office if necessary. The manual will be provided to the commission for acknowledging receipt of the final document.
- Continues development of a comprehensive year-end closing manual to list documents and schedules needed, including accounts payable, accounts receivable, accrued salaries that includes examples of typical items that are accrued
- Maintain and review a listing of leases that includes a determination of capital or operating lease classification. The purchasing agent has copies of our leases.

In addition, management will continue evaluating professional services to assist with continued training in financial recording and reporting matters as well as additional training related to our financial reporting software as necessary.

**BUCHANAN COUNTY, MISSOURI
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED DECEMBER 31, 2022**

Section II – Financial Statement Findings (Continued)

2022-002 Lack of Segregation of Duties

Type of Finding Significant Deficiency in Internal Control over Financial Reporting

Condition

During our audit we noted that a limited number of employees were performing procedures in conjunction with recordkeeping, reconciliation, and financial reporting. Multiple employees have the ability and responsibility to sign checks, access to signature stamps, and access to checks.

Our review of the controls at the Prosecuting Attorney's office disclosed that one employee receives funds, enters receipts into the accounting system, sets up payees in the accounting system, prints pre-signed checks, and mails checks.

Our review of the controls at the Recorder of Deed's office disclosed that multiple employees have access to receive funds, enter receipts, sign checks, and mails checks and reconcile bank accounts.

Criteria

Effective internal control will help ensure an adequate segregation of duties so that no one individual handles or has the ability to override the control of a transaction from its inception to its completion.

Cause

Limited resources and personnel.

Effect

Without a proper segregation of duties potential exists for misstatements to the financial statements.

Repeat Finding:

Yes, 2021-002.

**BUCHANAN COUNTY, MISSOURI
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED DECEMBER 31, 2022**

Section II – Financial Statement Findings (Continued)

Recommendation

We recommend that Management evaluate the controls in place for the County as a whole, and specifically in the areas of cash collections and disbursements, to the extent possible, all critical accounting functions are adequately segregated.

While we recognize that the County must assess the value of its internal control systems within a cost-benefit context, to the extent possible, we believe that the duties should be segregated to serve as a check and balance on operations in order to maintain the best control system possible. To the extent that segregation of duties is not practical, we suggest that management work to implement alternative procedures to compensate for the consolidation of incompatible duties.

Management's Response

Management will work with the office holders to evaluate current processes and implement procedures to segregate duties as necessary.

Prosecuting Attorney's Office

One employee typically receives payments (money orders, checks/cashier's checks) and enters them into the accounting system. Daily receipts are balanced each day by a second employee with receipts for that day and deposited by one of two other employees. The employee receiving receipts is different from the employee that sets up the payees in the accounting system. The system will print checks consistent with the receipts that have been issued on each account. The person receiving receipts cannot void payments, receipts or checks. The person who prints checks for mailing to victims/witnesses and also cannot void payments or receipts. Reviews over accounting functions will continue, and duties segregated further if deemed cost-beneficial.

Recorder of Deeds Office

All the employees in the recorder's office take cash payments because they are a customer service public office. Three employees have access to write checks. The checks have dual signature as a safeguard. There are four signors to cover when someone is out of the office.

**BUCHANAN COUNTY, MISSOURI
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED DECEMBER 31, 2022**

Section III – Findings and Questioned Costs – Major Federal Programs

2022-003 Documentation of Procurement, Suspension, and Debarment

Federal Agency: U.S. Department of Treasury

Federal Program Name: COVID-19 Coronavirus State and Local Fiscal Recovery Funds

Assistance Listing Number: 21.027

Pass-Through Agency: N/A - Direct

Federal Award Identification and Pass-Through Numbers: N/A - Direct

Award Period: Year Ended December 31, 2022

Compliance Requirement: Suspension and Debarment

Type of Finding: Significant Deficiency in Internal Control over Compliance and Other Matter

Criteria or Specific Requirement: The Uniform Guidance requires that the county maintain supporting documentation to demonstrate the procedures performed to demonstrate that it is not entering into agreements with vendors, paid with federal funds, that are suspended or debarred.

Condition and Context: During our testing, we were not presented with supporting documentation for 2 out of 2 transactions tested demonstrating the County performed the search of the suspended and debarred entities nor were we provided with documentation of the review and approval of these procedures. Based on a review of the SAM.gov website, neither vendor was suspended or debarred. The sample size was based on guidance from chapter 11 of the AICPA Audit Guide, *Government Auditing Standards and Single Audits*.

Questioned Costs: None noted.

Cause: Lack of oversight by management.

Effect: Improper vendors could be used for services.

Repeat Finding: See finding 2021-006 in previous year for similar finding.

Recommendation: We recommend the County retain documentation related to the applicable federal requirements to ensure compliance with said federal requirements.

Views of responsible officials: There is no disagreement with the audit finding. Procedures will be put in place to implement a policy of maintaining documentation related to suspension and debarment checks. The proper people have been notified to keep documentation when they do the check.



CLA (CliftonLarsonAllen LLP) is a network member of CLA Global. See CLAGlobal.com/disclaimer. Investment advisory services are offered through CliftonLarsonAllen Wealth Advisors, LLC, an SEC-registered investment advisor.