



# SOUTHEAST MISSOURI SOLID WASTE MANAGEMENT DISTRICT

1 West St. Joseph Street  
Perryville, Missouri 63775  
Phone: (573) 547-9357  
Fax: (573) 547-7283

Patrick Heaps, Chairman  
Greg Beavers, Vice-Chairman  
C. Timothy Morgan, Secretary/Treasurer  
Chauncy D. Buchheit, Executive Director

February 9, 2011

Mr. Chris Nagel  
Director  
Missouri Department of Natural Resources  
Solid Waste Management Program  
P.O. Box 176  
Jefferson City, MO 65102-0176



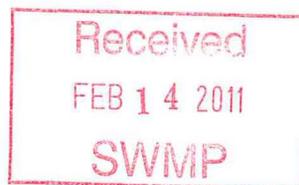
Dear Mr. Nagel:

Please accept this letter, along with the accompanying documentation, as the response of the Southeast Missouri Solid Waste Management District (District R) to your letter of January 24, 2011 regarding the Performance Audit done back in early 2009 by Marvin L. Wilson.

To address the auditor's recommendations in order:

1. **No Open Meeting Notice.** Enclosed are copies of all Agendas for meetings held during calendar year 2010. As you can see, the statement "This Meeting is Open to the Public" is featured prominently. The Agenda is posted on our public bulletin board. We normally schedule 10 meetings per year, skipping a July meeting (due to historically low attendance at a meeting when so many fiscal years are ending with the attendant work load associated with that event), and combining the November and December meetings. The September meeting was cancelled due to inclement weather, explaining that "gap" in the sequence.
2. **Unrecorded Subgrantee Visits.** The "Project Checklist" that we use was modified immediately upon receiving the auditor's recommendation. A copy of the blank checklist is included, along with samples of completed checklists. In addition, the Southeast Missouri Solid Waste Management District (District R) Operations Manual is included. The final lines, highlighted in yellow, were added to the manual immediately upon receipt of the auditor's recommendations.

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**3. District's Quarterly Project Financial Summary Report Not Properly Prepared.** Since this audit recommendation was received, the Fiscal Officer has ensured that the Quarterly Project Financial Summary Reports reconcile to the current bank statement. This direction was delivered verbally to the Fiscal Officer and has been in place since. The agency follows generally accepted accounting practices and has divisions of responsibility in regard to handling funds to the extent possible given staff size. The Solid Waste Management District is audited annually (a copy of the most recent audit was forwarded to Ms. Kim Tschirgi on October 8, 2010) and no findings were identified in that audit. We will provide copies of the District bank statements as an accompaniment to the first two Quarterly Project Financial Summary Reports submitted during Calendar Year 2011 to allow DNR staff to verify the accuracy of our reports.

Additionally, the Southeast Missouri Regional Planning and Economic Development Commission, the agency which handles administrative duties under contract with the Solid Waste Management District, has prepared a "Southeast Missouri Regional Planning Commission Guide to Internal Controls and Risk Management." This document, references four attachments ("Code of Ethics for the Southeast Missouri Regional Planning Commission's Staff," "Southeast Missouri Regional Planning and Economic Development Commission Anti-Fraud & Corruption Policy," "Southeast Missouri Regional Planning and Economic Development Commission Internal Control Procedures," and "Policy Statement Concerning Purchasing by the Southeast Missouri Regional Planning and Economic Development Commission." A copy of the Southeast Missouri Regional Planning Commission Guide to Internal Controls and Risk Management, along with the referenced attachments, is included herewith.

**4. DNR Logo Not Visible On Equipment.** The Solid Waste Management District had weatherproof signs including the DNR logo and the statement "Partially Funded by the Missouri Department of Natural Resources" made up after the audit recommendations were received. This design and language was approved by Bruce Tylke, the SWMP planner assigned as the District R contact. These signs have been placed on equipment that is generally visible to the public. Additionally, two lines were added to the "Scope of Work" section of the Operations Manual as follows:

- a. 11. Maintenance of a Physical Inventory;
- b. 12. Ensuring DNR logo and the words "Partially Funded by the Missouri Department of Natural Resources" appears on equipment visible to the public; and...

A copy of the weatherproof signs, the Operations Manual, and the spreadsheet that tracks inventory is included. Photographs of signs in place are included along with the Project Checklists noted earlier.

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I trust that you will find this in order. If there are questions or if you need additional information please feel free to call.

Sincerely,



David P. Grimes  
Deputy Director

DPG/kh

Enclosure

cc: Patrick Heaps, Interim Chairman

