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RETURN RECEIPT REQUESTED

Mr. Scott Sader, Chair
Region F – West Central Missouri Solid Waste Management District
Johnson County Commission
300 North Holden Street
Warrensburg, MO 64093

Dear Mr. Sader:

The Solid Waste Management Program (SWMP) is providing copies of the final Independent Accountant's Reports Applying Agreed-upon Procedures of Region F – West Central Missouri Solid Waste Management District (Region F) for the period July 1, 2005 through June 30, 2007 (FY 06/07) and the period July 1, 2007 through June 30, 2009 (FY 08/09) conducted by McBride, Lock & Associates of Kansas City, Missouri. This letter requests follow-up on certain findings and provides notice of disallowances. The performance audits of Region F were completed in accordance with 260.325.10, RSMo.

We have reviewed the findings and have been working with the Executive Board and the District's administrative contractor to resolve the audit findings. The SWMP has met with the District several times, including January 13, 2010 and March 19, 2010, to ensure a common understanding of the audit findings, the need to complete corrective actions, and ensure a full reconciliation of funds provided to the District. As a result, the District's corrective actions have resolved findings 3, 5, 7, 9, 11, 14, 18, 19 and 20 from the FY 06/07 audit report. We have prepared a list of actions the District will need to complete to resolve the remaining eleven findings from this report. We have also prepared a list of actions the District will need to complete to resolve the FY 08/09 audit findings.

Unless the District can provide documentation to support some other resolution related to the remaining questioned costs, the following amounts will be disallowed and withheld from the 3rd Quarter FY 2011 allocation to the District.

AMOUNTS TO BE DISALLOWED

FY 06/07 Audit Finding #8 – Lack of Administrative Contract	\$ 39,529
FY 06/07 Audit Finding #15 – Fixed Assets Inventory Management Inadequate	\$ 16,829
FY 08/09 Audit Finding #11 – Matching Funds Requirement Not Met	<u>\$ 3,215</u>
TOTAL	\$ 59,573

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Detailed information about each of these audit findings can be found in the enclosed audit report and performance audit follow-up document.

The District's response to our request for follow-up on the findings and disallowed costs need to be submitted to the SWMP within 30 days of the date of this letter.

The audit process is one of the tools used to fulfill our responsibility to fully account for the use of state resources, past and present. We are committed to working cooperatively with the District to address the audit issues and view the audit process as a constructive method of evaluating the District's operational and grant procedures to identify areas where improvements may be needed. We are encouraged by the progress the District has made in addressing the audit findings and we are confident that you will continue to make progress to resolve all audit issues and to establish procedures to prevent future problems.

Please do not hesitate to contact Ms. Brenda Ardrey at (573) 526-9940 or by mail at P.O. Box 176, Jefferson City, Missouri 65102, if you have any questions or require further clarification.

Thank you for your cooperation and assistance in this effort.

Sincerely,

SOLID WASTE MANAGEMENT PROGRAM

Chris Nagel
Director

CN/ahb

c: Senator Carl Vogel, Missouri Senate
Senator Bill Stouffer, Missouri Senate
Senator Delbert Scott, Missouri Senate
Senator David Pearce, Missouri Senate
Representative Joe Aull, Missouri House of Representatives
Representative Bryan Pratt, Missouri House of Representatives
Representative Rodney Schad, Missouri House of Representatives
Representative Tom Self, Missouri House of Representatives
Representative Kenny Jones, Missouri House of Representatives
Representative Stanley Cox, Missouri House of Representatives
Representative Scott Largent, Missouri House of Representatives
Representative Denny Hoskins, Missouri House of Representatives
Representative Mike McGhee, Missouri House of Representatives
Representative Robert Cooper, Missouri House of Representatives
Mr. Bill Beck, Region F Executive Board Member
Ms. Ann Black, Region F Executive Board Member

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Ms. Barbara Carroll, Region F Executive Board Member
Mr. Ronald Duvall, Region F Executive Board Member
Mr. Tracy Dyer, Region F Executive Board Member
Mr. Wayne Kroeschen, Jr., Region F Executive Board Member
Mr. Rod Lindemann, Region F Executive Board Member
Mr. Harland Mieser, Region F Executive Board Member
Ms. Becky Plattner, Region F Executive Board Member
Ms. Crystal Lovett-Tibbs, Legislative Liaison
Ms. Linda Jaegers, Fiscal & Administrative Manager, Division of Environmental Quality
Ms. Brenda Ardrey, Fiscal & Administrative Manager, Solid Waste Management Program
Mr. Kendall Blythe, Program Director, Internal Audit Program
Mr. Randy White, Executive Director, Pioneer Trails Regional Planning Commission
Ms. Ruth Anne Parrott, District Planner, Region F – West Central Missouri SWMD