

Performance Audit Follow-up
Region R – Southeast Missouri Solid Waste Management District
July 1, 2005 – June 30, 2007

1. No Open Meeting Notice

Auditor Recommendation:

The District's notice of meetings should indicate whether the meetings are open or closed to the public as required by RSMo Section 610.020.

District Response:

These notices are published and posted and, candidly, it did not occur to anyone here that a formal statement of an "open meeting" was needed. We are adding the statement "This meeting is open to the public" to our notices and agendas now.

SWMP Response:

The SWMP concurs with the auditor's recommendation.

SWMP Recommendation:

The District indicated that meeting notices now include whether the meeting is open or closed to the public. To fully resolve Finding #1, please provide to the SWMP a copy of the notices for the meetings held during the period January through December 2010 to verify the District's compliance with this requirement.

2. Unrecorded Subgrantee Visits

Auditor Recommendation:

The District prepare monitoring and on-site visit reports for subgrantee visits.

District Response:

In candor, due to staff changes, we are catching up on our site visits. We did not think of documenting these. We are adding lines to our basic Sub-Grantee File Checklist to handle this documentation. Procedure added to Sub-Grantee Checklist.

SWMP Response:

The SWMP concurs with the auditor's recommendation.

SWMP Recommendation:

The District indicated plans to implement procedures for documenting all site visits. In order to resolve Finding #2, please provide a copy of the policies and procedures adopted by the District to ensure that periodic site visits of subgrant projects occur and are adequately documented in

the subgrant project file. Additionally, please provide a copy of the latest subgrantee monitoring checklist or report on FY 2010 district grant projects completed by the District as verification that the District is now documenting site visits.

3. District's Quarterly Project Financial Summary Report Not Properly Prepared

Auditor Recommendation:

We recommend the District properly prepare its quarterly project financial summary reports by not including post report payments in the balances on the quarterly project financial summary report to the DNR, or by showing the expenditures incurred but not yet disbursed at June 30, i.e. accounts payable, to allow for proper reconciliation with the actual cash balance held by the District. We also recommend that the District properly prepare its quarterly financial reports by including the balance in the second bank account.

District Response:

We will add a line to our annual report and include this figure in the future. We also understand that this question dealt with quarterly reports. The fund balance will be included on our quarterly reports as well.

SWMP Response:

The SWMP concurs with the auditor's recommendation.

SWMP Recommendations:

The District indicated plans to ensure adequate quarterly reporting. In order to allow for final resolution of Finding #3, please submit a copy of the policies and procedures adopted by the District to ensure Quarterly Financial Summary Reports (QFSRs) are properly prepared and reviewed for accuracy to ensure amounts listed as cash balances reconcile to the bank balances in all District bank accounts. Additionally, please provide copies of monthly reconciled bank statements with submission of the QFSRs for the period January through June 2011 to allow for verification that the District is reconciling QFSRs to the bank statements.

4. DNR Logo Not Visible On Equipment

Auditor Recommendation:

The District should print DNR logos on weather resistant material and issue the labels/signage to subgrantees to display on equipment purchased with DNR grant funds.

District Response:

This was our oversight and simply the result of staff changes. The requirement was overlooked during a transition. We realized the omission in July and have been working to get the appropriate signage done since then. The planner involved in the service providers update next year will make site visits to all sub-grantees and affix appropriate signage.

SWMP Response:

The SWMP agrees with the auditor's recommendation.

SWMP Recommendation:

The District needs to ensure adequate training of new staff taking on solid waste management grant duties. The District indicated plans to affix appropriate signage on equipment purchased with district grant funds. To fully resolve Finding # 4, please provide to the SWMP a copy of the District's policies and procedures related to fixed assets management, including placement of appropriate signage or stickers to disclose use of MDNR funding, and a copy of the District's most recent physical inventory and asset reconciliation.