



Matt Blunt, Governor • Doyle Childers, Director

## DEPARTMENT OF NATURAL RESOURCES

[www.dnr.mo.gov](http://www.dnr.mo.gov)

FEB 23 2006

Mr. Robert O'Keefe  
Region T SWMD  
1295 Summit Circle  
Osage Beach, MO 65065

Dear Mr. O'Keefe:

Please find enclosed the Missouri State Auditor's Office (SAO) report on the Solid Waste Management Program's district grant activities and the operations of four solid waste management districts. Your district was selected for review by the auditors during their fieldwork and their report contains findings related to the operations of your district. Please review the findings and respond to me by providing your district's plans to address each finding. The district's plans must be discussed and approved by the district's Executive Board during open meeting and minutes from the meeting submitted to the department with your responses. We need to work together to ensure that all of the SAO audit findings are resolved. While the auditors report indicates problems, this can also be viewed as an opportunity to improve our management of grant funds.

The enclosed SAO report identifies the findings related to your district:

#### 4. District Fund Balances

District has funds encumbered for grants awarded as far back as 1996. The district has also approved new grants for educational and dump clean-up programs, while grant monies awarded in previous years for the same purposes have not yet been spent.

#### 5. District Subgrantee Procedures

- B. District did not always withhold 15 percent of the grant funds until the final report from the subgrantee is received and approved.
- D. District made grant reimbursements for expenses not related to the purpose of the grants.
- E. District reimbursed subgrantees for grant expenses prior to receiving quarterly reports from the subgrantees.



Recycled Paper

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6. District Capital Assets

- A. District did not maintain a listing of capital assets purchased with grant monies.
- B. District did not perform a physical inventory of capital assets and did not mark assets as being purchased with district grant funds.

Until all findings are resolved, the department is suspending any further allocation of solid waste management funds to your district in accordance with statute (RSMo 260.335 5), rule (CSR 80-9.050 (1)(C) 5 and (4)(F) and (6)(E)), and Special Terms and Conditions (items 6 and 8). It appears the concerns outlined by the auditor can be resolved quickly. I look forward to working with you on these so we can move forward in our efforts to encourage waste reduction, reuse, recycling, and proper disposal.

If you have any questions please contact Jim Hull at phone (573) 751-5401 or in writing at Solid Waste Management Program, P.O. Box 176, Jefferson City, Missouri 65102.

Thank you for your cooperation.

Sincerely,

DEPARTMENT OF NATURAL RESOURCES



Doyle Childers  
Director

Enclosure

DC:pmk

- c: District Executive Board  
Senator Carl M. Vogel, Missouri Senate  
Senator Chuck Purgason, Missouri Senate  
Representative Rodney Schad, Missouri House of Representatives  
Representative Darrell Pollock, Missouri House of Representatives  
Representative David Day, Missouri House of Representatives  
Representative Robert Wayne Cooper, Missouri House of Representatives  
Honorable Carolyn Lorraine, Camden County Executive  
Honorable Lowell Morgan, Laclede County Executive  
Honorable Tom Wright, Miller County Executive  
Mr. Tim Smith, Solid Waste Advisory Board Chairman