



Christian County Commission

100 West Church St, Room 100
Ozark, MO 65721

January Term

<http://ChristianCountyMO.iqm2.com>

~ Minutes ~

Thursday, March 3, 2016

9:20 AM

The Christian County Courthouse

I. Convene

The meeting was called to order at 9:20 AM by Presiding Commissioner Ray Weter

Attendee Name	Title	Status	Arrived
Ray Weter	Presiding Commissioner	Present	9:20 AM
Bill Barnett	Western Commissioner	Present	9:20 AM
Sue Ann Childers	Eastern Commissioner	Present	9:20 AM
Kay Brown	County Clerk	Present	9:20 AM
Ashley Hannah	Secretary	Present	9:20 AM

II. Agenda

Motion/Vote - 9:20 AM Christian County Commission

Discussion - Approve Agenda

The meeting was attended by Commission Secretary Ashley Hannah and Judy Dollarhite.

Presiding Commissioner Ray Weter entertained a motion to approve the March 3, 2016 published agenda.

RESULT:	ADOPTED [UNANIMOUS]
MOVER:	Sue Ann Childers, Eastern Commissioner
SECONDER:	Bill Barnett, Western Commissioner
AYES:	Ray Weter, Bill Barnett, Sue Ann Childers

Motion/Vote - 9:25 AM Kay Brown-Christian County Clerk

Minutes & Financials Approval - Approve Minutes and Financials

The meeting was attended by Commission Secretary Ashley Hannah and Judy Dollarhite.

There were no minutes or financials to approve.

Presiding Commissioner Ray Weter entertained a motion to move past this session.

RESULT:	ADOPTED [UNANIMOUS]
MOVER:	Bill Barnett, Western Commissioner
SECONDER:	Sue Ann Childers, Eastern Commissioner
AYES:	Ray Weter, Bill Barnett, Sue Ann Childers

Motion/Vote - 9:30 AM Christian County Juvenile Office

Discussion - Copier Lease Renewal Discussion

The meeting was attended by Commission Secretary Ashley Hannah, Judy Dollarhite and Robert Palmer.

The County Commission met with County Auditor Lacey Hart to discuss the copier lease renewal for their office.

County Auditor Hart said the Juvenile Office has a copier that is leased and the term expired March 1, 2016. Ms. Hart said the Juvenile office would like to continue the lease on a month to month basis. The agreement states the lease can continue from month to month with the alternative to return the equipment. Ms. Hart said she had consulted with Andy Marmouget and the County Counselor and they agreed all leases need to be signed by the County Commission, County Counselor and the Auditor. The Auditor said Mr. Housley expressed concern when a contract goes beyond a budget year that could encumber any future office holder and or the County Commission. Ms. Hart said the County Counselor will review a contract and often adds addendums. Ms. Hart said she asked for a copy of the lease and has not received it. Auditor Hart will review the contract when received and will discuss with Juvenile Office all options available.

Motion/Vote - 9:45 AM Brad Cole-Christian County Sheriff

Contract - License Agreement-City of Billings-Satellite Office

The meeting was attended by Commission Secretary Ashley Hannah, Judy Dollarhite and Robert Palmer.

The County Commission met with Major Spencer to present a license agreement with the City of Billings that was approved and signed by Sheriff Cole and the County Counselor. Major Spencer said this agreement is similar to other city agreements and will provide a presence of the Sheriff's Department to assist the City of Billings police department which is currently short staffed by 2 officers. The office will be located at the Billings City Hall. The City of Billings has provided a desk and chair and all other office equipment will be provided by the Sheriff's Department. This agreement will provide 24 hour access and availability seven days a week.

Presiding Commissioner Ray Weter entertained a motion to approve the license agreement between Christian County, Christian County Sheriff and the City of Billings to provide a space and access for a Deputy Sheriff to be available.

RESULT:	ADOPTED [UNANIMOUS]
MOVER:	Bill Barnett, Western Commissioner
SECONDER:	Sue Ann Childers, Eastern Commissioner
AYES:	Ray Weter, Bill Barnett, Sue Ann Childers

Motion/Vote - 10:00 AM Christian County Commission

Bid Opening - RFP Opening-Repair of Water Damaged Walls

The meeting was attended by Commission Secretary Ashley Hannah and Judy Dollarhite.

The County Commission met with Maintenance Supervisor Richard Teague to open the RFP/bids for the repair of the water damaged walls for the historic courthouse.

Presiding Commissioner said there was one bid submitted from Devan Construction for \$ 4,850.00, for the repair and replacement of any walls damaged by the flood. This bid also includes removing any mold or mildew and painting of the new walls. The damaged wall are located in the Northwest Corner of the historic courthouse which include the following offices: Collector, Juvenile, and County Clerk.

Presiding Commissioner Ray Weter entertained a motion to accept the price for \$ 4,850.00 from Devan Construction.

RESULT:	ADOPTED [UNANIMOUS]
MOVER:	Sue Ann Childers, Eastern Commissioner
SECONDER:	Bill Barnett, Western Commissioner
AYES:	Ray Weter, Bill Barnett, Sue Ann Childers

Motion/Vote - 10:15 AM Andy Marmouget-Independent Auditor

Discussion - Entrance Conference with Independent Auditor

The meeting was attended by Commission Secretary Ashley Hannah, Richard Teague, Miranda Beadles, County Road Engineer, Robert Palmer, County Auditor Lacey Hart, Treasurer Karen Matthews and Judy Dollarhite.

The County Commission met with KPM independent Auditor Andy Marmouget for the entrance meeting for the 2015 audit of the financials for Christian County.

Andy Marmouget said he will audit the County's financial statement and audit all major Federal Grant programs for compliance. Mr. Marmouget said he will also note any compliance issues and internal controls.

Presiding Commissioners Ray Weter asked Mr. Marmouget to review the "NIDS" that we have and what our liability status is for the County which includes grants for Chadwick School and the City of Nixa.

Mr. Marmouget said those are major grants and will be audited.

Commissioner Weter asked about grant administrators attending classes to be compliant with Federal procurement laws is that required and who would attend.

Andy said it makes sense to have a single individual to receive training for the grant and monitors all the grants and that way you have it in compliance.

Presiding Commissioner Ray Weter entertained a motion to formalize the agreement for an independent audit by KPM for the year 2015.

RESULT:	ADOPTED [UNANIMOUS]
MOVER:	Sue Ann Childers, Eastern Commissioner
SECONDER:	Bill Barnett, Western Commissioner
AYES:	Ray Weter, Bill Barnett, Sue Ann Childers

III. Adjournment

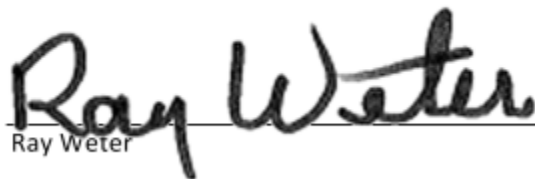
The meeting was closed at 10:30 AM

Motion/Vote -

Adjourn

The scheduled meetings for the County Commission for today have completed. The County Commission will reconvene on Monday, March 7th, 2016.

RESULT:	ADOPTED [UNANIMOUS]
MOVER:	Sue Ann Childers, Eastern Commissioner
SECONDER:	Bill Barnett, Western Commissioner
AYES:	Ray Weter, Bill Barnett, Sue Ann Childers


Ray Weter

Presiding Commissioner, Ray Weter


Bill Barnett

Western Commissioner, Bill Barnett



A handwritten signature in black ink that reads "Sue Ann Childers". The signature is written in a cursive, flowing style.

Sue Ann Childers

Eastern Commissioner, Sue Ann Childers

LICENSE AGREEMENT

This license Agreement is entered into as of the 3rd day of March, 2016, between the City of Billings, Missouri of Christian County, Missouri, and the Christian County Missouri Sheriff's Office, 110 W. Elm Street, Room 70, Ozark, MO 65721, Attn: Sheriff Brad Cole, Christian County.

WITNESSETH:

WHEREAS, the City of Billings is the owner of certain properties, commonly known as Billings Police Department(sometimes hereinafter, the "Property"); and

WHEREAS, the County has asked the City of Billings for permission to use a portion of the property for a satellite Sheriff's office; and

WHEREAS, the area of the Property that the County has proposed to use is the following: An office inside the Billings City Hall / Police Department. WHEREAS, the City of Billings is willing to grant a license to the County for use of the Satellite Office, subject to the terms and conditions hereinafter set forth.

PERMITTED USE: For the purpose of this license agreement, "Permitted Use" shall be defined as follows: a workspace for Christian County Sheriff's Deputies to use for completion of reports, paperwork, interviews, and other duties, as needed.

OFFICE SPACE: The City of Billings will provide a work area with a desk and chair for the county's use in the Satellite Office, and the County may supplement with County-owned additional equipment/furnishings, as needed.

ACCESS/CONTROL: For the purpose of this license agreement, "Access/Control" shall be defined as follows: Christian County Sheriff's Deputies will have access/control to/of the satellite office area 24 hours per day/7 days per week, as well as access to restrooms. The property will be accessible through a keyed entry system at each location.

NOW, THEREFORE, in consideration of the premises and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. License The City of Billings does hereby grant a personal and revocable license to the County, and the County does hereby take the license to use the Satellite Offices only for the Permitted Use and subject to the terms and conditions set forth below. The license is personal to the County and shall not be assigned or sublicensed to or used by any other party.
2. Term The term of this Agreement shall be for one (1) year, commencing on the 3rd day of March, 2016 and terminating on the 3rd day of March, 2017, subject to earlier termination by either party for any reason at any time on thirty (30) days advance notice. Upon agreement of both parties this term may be extended at the end of the contracted period for another year.

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3. Use and Condition The County shall use the Satellite Office only for the Permitted Use and for no other use whatsoever. The County will: (a) comply with all laws, statutes, ordinances and regulations applicable

to the Satellite Office relating to its use thereof; and (b) surrender the Satellite Office at the end of the term of this Lease in as good condition as received, ordinary wear and tear, damage by fire and other casualties excepted. County shall make no improvements or alterations or install any signage without the City of Billings prior written consent.

4. City of Billings Agreements The City of Billings agrees to provide electricity, heat and air conditioning in a manner similar to what the City provides to the balance of the Property. However, the City will have no obligation to undertake any improvements. Nor shall the City be required to undertake any repairs or replacements that it deems in its sole discretion to be unnecessary or too expensive given its needs and/or plans for the Property.
5. Immunities The City and the County are governmental bodies and maintain normal and appropriate insurance coverage that will be in effect for the duration of this Agreement. Nothing in the Agreement shall be construed as a waiver of any governmental immunity including but not limited to sovereign immunity or official immunity or the public duty doctrine, available to the County, the City or their agents. The parties hereby expressly reserve all immunities available under federal or Missouri law.
6. Notices Any notices hereunder shall be in writing and shall be deemed to have been given, if personally delivered, upon receipt; if delivered by overnight commercial package courier or local delivery service, upon receipt; or, if mailed by registered or certified mail, return receipt requested, three (3) days after the date of such mailing, to the parties at the addresses set forth in the first paragraph above. Any party may change the address to which notices are to be given hereunder by giving notice in the manner herein provided.
7. Independent Status Neither party, nor its agents or employees, shall be deemed the agent of the other. Neither party will have the right to bind the other, transact any business in the other's name or on its behalf, or incur any liability for or on behalf of the other.
8. Miscellaneous This Agreement shall be binding upon and shall insure to the benefit of the parties hereto and their respective successors and assigns subject, however to the provisions of Paragraph one (1) above. This Agreement is made and delivered in the State of Missouri and shall be construed and enforced in accordance with the laws of the State of Missouri. The headings of the sections of this Agreement are solely for convenience and reference and shall not limit or otherwise affect the meaning or interpretation of any of the terms or provisions hereof. No amendment of this Agreement shall be effective or binding on the parties unless in writing signed by an authorized representative of both parties. This Agreement is the entire agreement between the parties with respect to the subject matter of this Agreement, and incorporates and replaces all prior communications between the parties, oral or in writing.

(THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK; SIGNATURES ARE CONTAINED ON THE FOLLOWING PAGE)

33411-1

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their respective authorized officers as of the day and year first above written.

City of Billings

ATTEST:

By: _____

Name: _____

Title: _____

Secretary

Christian County:

By: Brad Cole

Name: Brad Cole

Title: Sheriff of Christian County

By: Ray Weter

Name: Ray Weter

Title: Presiding Commissioner

By: Bill Barnett

Name: Bill Barnett

Title: Western Commissioner

By: Sue Ann Childers

Name: Sue Ann Childers

Title: Eastern Commissioner

ATTEST:

Kay Brown

Kay Brown

Clerk of the County Commission

Approved as to form

John Housley

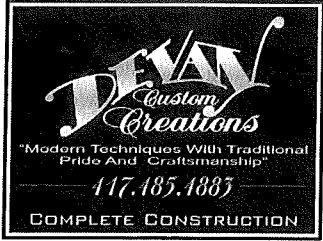
John Housley, County Counselor

33411-1

Attachment: 3-3-2016 Billings Satellite Office License (2821 : License Agreement-City of Billings-Satellite Office)

ESTIMATE

Christian County Commission
100 W Church
Ozark, MO 65721



Estimate # 000037
Date 02/10/2016

Devan Custom Creations

P.O. Box 432
Ozark, MO 65721

Phone: (417) 485-4883
Email: devancustomcreations@yahoo.com

Description	Total
Flood Damage	\$4,850.00
Collectors Office: repair damaged walls in NW office, repair rotten trim on NW office window, repair partition wall at NW office and main lobby, paint to match existing.	
2nd floor hallway: repair damage at NW corner and paint to match existing.	
County Clerk: repair walls in NW office and office to the south, paint to match existing.	
Juvenile: repair NW corner of main lobby, repair west wall of adjoining office, remove mildewed Sheetrock repair walls and paint to match existing.	

Subtotal	\$4,850.00
Total	\$4,850.00

Ray W. [Signature] *Julia Childers [Signature]* *Beir Barne [Signature]*

Christian County Commission

Attachment: 3-3-16 Bid For Devan Const. Repair Walls (2819 : RFP Opening-Repair of Water Damaged Walls)



February 29, 2016

County Commission
Christian County
100 W. Church, Room 206
Ozark, Missouri 64721

We are pleased to confirm our understanding of the services we are to provide Christian County, Missouri, for the year ended December 31, 2015. We will audit the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information, including the related notes to the financial statements, which collectively comprise the basic financial statements, of Christian County, Missouri, as of and for the year ended December 31, 2015. Accounting standards generally accepted in the United States of America provide for certain required supplementary information (RSI), such as management's discussion and analysis (MD&A), to supplement Christian County, Missouri's basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. As part of our engagement, we will apply certain limited procedures to Christian County, Missouri's RSI in accordance with auditing standards generally accepted in the United States of America. These limited procedures will consist of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We will not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance. The following RSI is required by generally accepted accounting principles and will be subjected to certain limited procedures, but will not be audited:

- 1) Management's Discussion and Analysis
- 2) Budgetary comparison schedules

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500 W. Main Street Suite 200, Branson, MO 65616 | 417-334-2987 | fax 417-336-3403
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We have also been engaged to report on supplementary information other than RSI that accompanies Christian County, Missouri's financial statements. We will subject the following supplementary information to the auditing procedures applied in our audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America, and we will provide an opinion on it in relation to the financial statements as a whole:

- 1) Schedule of expenditures of federal awards

Audit Objectives

The objective of our audit is the expression of opinions as to whether your financial statements are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles and to report on the fairness of the supplementary information referred to in the second paragraph when considered in relation to the financial statements as a whole. The objective also includes reporting on—

- Internal control related to the financial statements and compliance with the provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a material effect on the financial statements in accordance with *Government Auditing Standards*.
- Internal control related to major programs and an opinion (or disclaimer of opinion) on compliance with laws, regulations, and the provisions of contracts or grant agreements that could have a direct and material effect on each major program in accordance with the Single Audit Act Amendments of 1996 and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*.

The *Government Auditing Standards* report on internal control over financial reporting and on compliance and other matters will include a paragraph that states (1) that the purpose of the report is solely to describe the scope of testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance, and (2) that the report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. The OMB Circular A-133 report on internal control over compliance will include a paragraph that states that the purpose of the report on internal control over compliance is solely to describe the scope of testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Both reports will state that the report is not suitable for any other purpose.

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Christian County, Missouri
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Our audit will be conducted in accordance with auditing standards generally accepted in the United States of America; the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the Single Audit Act Amendments of 1996; and the provisions of OMB Circular A-133, and will include tests of accounting records, a determination of major program(s) in accordance with OMB Circular A-133, and other procedures we consider necessary to enable us to express such opinions. We cannot provide assurance that unmodified opinions will be expressed. Circumstances may arise in which it is necessary for us to modify our opinions or add emphasis-of-matter or other-matter paragraphs. If our opinions on the financial statements or the Single Audit compliance opinions are other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or issue reports, or may withdraw from this engagement.

Management Responsibilities

Management is responsible for the financial statements, schedule of expenditures of federal awards, and all accompanying information as well as all representations contained therein. Management is also responsible for identifying all federal awards received and understanding and complying with the compliance requirements, and for preparation of the schedule of expenditures of federal awards in accordance with the requirements of OMB Circular A-133. As part of the audit, we will assist with preparation of your financial statements, schedule of expenditures of federal awards, and related notes. These nonaudit services do not constitute an audit under *Government Auditing Standards* and such services will not be conducted in accordance with *Government Auditing Standards*. You agree to assume all management responsibilities relating to the financial statements, schedule of expenditures of federal awards, related notes, and any other nonaudit services we provide. You will be required to acknowledge in the management representation letter our assistance with preparation of the financial statements, schedule of expenditures of federal awards, and related notes and that you have reviewed and approved the financial statements, schedule of expenditures of federal awards, and related notes prior to their issuance and have accepted responsibility for them. Further, you agree to oversee the nonaudit services by designating an individual, preferably from senior management, who possesses suitable skill, knowledge, or experience; evaluate the adequacy and results of those services; and accept responsibility for them.

Management is responsible for (a) establishing and maintaining effective internal controls, including internal controls over compliance, and for evaluating and monitoring ongoing activities, to help ensure that appropriate goals and objectives are met; (b) following laws and regulations; (c) ensuring that there is reasonable assurance that government programs are administered in compliance with compliance requirements; and (d) ensuring that management is reliable and financial information is reliable and properly reported. Management is also responsible for implementing systems designed to achieve compliance with applicable laws, regulations, contracts, and grant agreements. You are also responsible for the selection and application of accounting principles; for the preparation and fair presentation of the financial statements in conformity with U.S. generally accepted accounting principles; and for compliance with applicable laws and regulations and the provisions of contracts and grant agreements.

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Management is also responsible for making all financial records and related information available to us and for the accuracy and completeness of that information. You are also responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, (2) additional information that we may request for the purpose of the audit, and (3) unrestricted access to persons within the government from whom we determine it necessary to obtain audit evidence.

Your responsibilities also include identifying significant vendor relationships in which the vendor has responsibility for program compliance and for the accuracy and completeness of that information. Your responsibilities include adjusting the financial statements to correct material misstatements and confirming to us in the management representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the government involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the government received in communications from employees, former employees, grantors, regulators, or others. In addition, you are responsible for identifying and ensuring that the government complies with applicable laws, regulations, contracts, agreements, and grants. Management is also responsible for taking timely and appropriate steps to remedy fraud and noncompliance with provisions of laws, regulations, contracts, and grant agreements, or abuse that we report. Additionally, as required by OMB Circular A-133, it is management's responsibility to follow up and take corrective action on reported audit findings and to prepare a summary schedule of prior audit findings and a corrective action plan. The summary schedule of prior audit findings should be available for our review on January 31, 2016.

You are responsible for preparation of the schedule of expenditures of federal awards (including notes and noncash assistance received) in conformity with OMB Circular A-133. You agree to include our report on the schedule of expenditures of federal awards in any document that contains and indicates that we have reported on the schedule of expenditures of federal awards. Your responsibilities include acknowledging to us in the written representation letter that (1) you are responsible for presentation of the schedule of expenditures of federal awards in accordance with OMB Circular A-133; (2) you believe the schedule of expenditures of federal awards, including its form and content, is fairly presented in accordance with OMB Circular A-133; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the schedule of expenditures of federal awards.

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You are also responsible for the preparation of the other supplementary information, which we have been engaged to report on, in conformity with U.S. generally accepted accounting principles. You agree to include our report on the supplementary information in any document that contains and indicates that we have reported on the supplementary information. Your responsibilities include acknowledging to us in the written representation letter that (1) you are responsible for presentation of the supplementary information in accordance with GAAP; (2) you believe the supplementary information, including its form and content, is fairly presented in accordance with GAAP; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the supplementary information.

Management is responsible for establishing and maintaining a process for tracking the status of audit findings and recommendations. Management is also responsible for identifying for us previous financial audits, attestation engagements, performance audits, or other studies related to the objectives discussed in the Audit Objectives section of this letter. This responsibility includes relaying to us corrective actions taken to address significant findings and recommendations resulting from those audits, attestation engagements, performance audits, or studies. You are also responsible for providing management's views on our current findings, conclusions, and recommendations, as well as your planned corrective actions, for the report, and for the timing and format for providing that information.

Audit Procedures—General

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We will plan and perform the audit to obtain reasonable rather than absolute assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the government or to acts by management or employees acting on behalf of the government. Because the determination of abuse is subjective, *Government Auditing Standards* do not expect auditors to provide reasonable assurance of detecting abuse.

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Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is a risk that material misstatements or noncompliance may exist and not be detected by us, even though the audit is properly planned and performed in accordance with U.S. generally accepted auditing standards and *Government Auditing Standards*. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements or major programs. However, we will inform the appropriate level of management of any material errors, any fraudulent financial reporting, or misappropriation of assets that come to our attention. We will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential, and of any material abuse that comes to our attention. We will include such matters in the reports required for a Single Audit. Our responsibility as auditors is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, and may include tests of the physical existence of inventories, and direct confirmation of receivables and certain other assets and liabilities by correspondence with selected individuals, funding sources, creditors, and financial institutions. We will request written representations from your attorneys as part of the engagement, and they may bill you for responding to this inquiry. At the conclusion of our audit, we will require certain written representations from you about your responsibilities for the financial statements; schedule of expenditures of federal awards; federal award programs; compliance with laws, regulations, contracts, and grant agreements; and other responsibilities required by generally accepted auditing standards.

Audit Procedures—Internal Control

Our audit will include obtaining an understanding of the government and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures. Tests of controls may be performed to test the effectiveness of certain controls that we consider relevant to preventing and detecting errors and fraud that are material to the financial statements and to preventing and detecting misstatements resulting from illegal acts and other noncompliance matters that have a direct and material effect on the financial statements. Our tests, if performed, will be less in scope than would be necessary to render an opinion on internal control and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to *Government Auditing Standards*.

As required by OMB Circular A-133, we will perform tests of controls over compliance to evaluate the effectiveness of the design and operation of controls that we consider relevant to preventing or detecting material noncompliance with compliance requirements applicable to each major federal award program. However, our tests will be less in scope than would be necessary to render an opinion on those controls and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to OMB Circular A-133.

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An audit is not designed to provide assurance on internal control or to identify significant deficiencies or material weaknesses. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards, *Government Auditing Standards*, and OMB Circular A-133.

Audit Procedures—Compliance

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of Christian County, Missouri's compliance with provisions of applicable laws, regulations, contracts, and agreements, including grant agreements. However, the objective of those procedures will not be to provide an opinion on overall compliance and we will not express such an opinion in our report on compliance issued pursuant to *Government Auditing Standards*.

OMB Circular A-133 requires that we also plan and perform the audit to obtain reasonable assurance about whether the auditee has complied with applicable laws and regulations and the provisions of contracts and grant agreements applicable to major programs. Our procedures will consist of tests of transactions and other applicable procedures described in the *OMB Circular A-133 Compliance Supplement* for the types of compliance requirements that could have a direct and material effect on each of Christian County, Missouri's major programs. The purpose of these procedures will be to express an opinion on Christian County, Missouri's compliance with requirements applicable to each of its major programs in our report on compliance issued pursuant to OMB Circular A-133.

Engagement Administration, Fees, and Other

We may from time to time, and depending on the circumstances, use third-party service providers in serving your account. We may share confidential information about you with these service providers, but remain committed to maintaining the confidentiality and security of your information. Accordingly, we maintain internal policies, procedures, and safeguards to protect the confidentiality of your personal information. In addition, we will secure confidentiality agreements with all service providers to maintain the confidentiality of your information and we will take reasonable precautions to determine that they have appropriate procedures in place to prevent the unauthorized release of your confidential information to others. In the event that we are unable to secure an appropriate confidentiality agreement, you will be asked to provide your consent prior to the sharing of your confidential information with the third-party service provider. Furthermore, we will remain responsible for the work provided by any such third-party service providers.

We understand that your employees will prepare all cash, accounts receivable, or other confirmations we request and will locate any documents selected by us for testing.

County Commission
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At the conclusion of the engagement, we will complete the appropriate sections of the Data Collection Form that summarizes our audit findings. It is management's responsibility to submit the reporting package (including financial statements, schedule of expenditures of federal awards, summary schedule of prior audit findings, auditors' reports, and corrective action plan) along with the Data Collection Form to the federal audit clearinghouse. We will coordinate with you the electronic submission and certification. If applicable, we will provide copies of our report for you to include with the reporting package you will submit to pass-through entities. The Data Collection Form and the reporting package must be submitted within the earlier of 30 days after receipt of the auditors' reports or nine months after the end of the audit period, unless a longer period is agreed to in advance by the cognizant or oversight agency for audits.

Management is responsible for distribution of the reports and the financial statements. Unless restricted by law or regulation, or containing privileged and confidential information, copies of our reports are to be made available for public inspection.

The audit documentation for this engagement is the property of KPM CPAs, PC and constitutes confidential information. However, subject to applicable laws and regulations, audit documentation and appropriate individuals will be made available upon request and in a timely manner to Federal Agency or its designee, a federal agency providing direct or indirect funding, or the U.S. Government Accountability Office for purposes of a quality review of the audit, to resolve audit findings, or to carry out oversight responsibilities. We will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of KPM CPAs, PC personnel. Furthermore, upon request, we may provide copies of selected audit documentation to the aforementioned parties. These parties may intend, or decide, to distribute the copies or information contained therein to others, including other governmental agencies.

The audit documentation for this engagement will be retained for a minimum of five years after the report release date or for any additional period requested by the Federal Agency. If we are aware that a federal awarding agency, pass-through entity, or auditee is contesting an audit finding, we will contact the party(ies) contesting the audit finding for guidance prior to destroying the audit documentation.

We expect to begin our audit on approximately January 11, 2016, and to issue our reports no later than June 30, 2016. Andy Marmouget is the engagement partner and is responsible for supervising the engagement and signing the reports or authorizing another individual to sign them.

Our fee for these services will be at our standard hourly rates plus out-of-pocket costs (such as report reproduction, word processing, postage, travel, copies, telephone, etc.) except that we agree that our gross fee, including expenses, will not exceed \$21,000. If expenditures of federal awards for the year ended December 31, 2015, exceed \$500,000, a single audit in accordance with OMB Circular A-133 will be required and there will be an additional fee of \$3,500 for those procedures. We will issue a substitute engagement letter if a single audit is determined to be required. Our standard hourly rates vary according to the degree of responsibility involved and the experience level of the personnel assigned to your audit. Our invoices for these fees will be rendered each month as work progresses and are payable on presentation. The above fee is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs.

County Commission
Christian County, Missouri
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Government Auditing Standards require that we provide you with a copy of our most recent external peer review report and any letter of comment, and any subsequent peer review reports and letters of comment received during the period of the contract. Our 2014 peer review report accompanies this letter.

In the event of a dispute related in any way to our services, our firm and you agree to discuss the dispute and, if necessary, to promptly mediate in a good faith effort to resolve. We will agree on a mediator, but if we cannot, either of us may apply to a court having personal jurisdiction over the parties for appointment of a mediator. We will share the mediator's fees and expenses equally, but otherwise will bear our own attorneys' fees and mediation cost. Participation in such mediation shall be a condition to either of us initiating litigation. In order to allow time for the mediation, any applicable statute of limitations shall be tolled for a period not to exceed 120 days from the date either of us first requests in writing to mediate the dispute. The mediation shall be confidential in all respects, as allowed or required by law, except our final settlement positions at mediation shall be admissible in litigation to determine the prevailing party's identity for awarding attorneys' fees.

We have the right to withdraw from this engagement, in our discretion, if you do not provide us with any information we request in a timely manner, refuse to cooperate with our reasonable requests or misrepresent any facts. Our withdrawal will complete our engagement. You agree to compensate us for our time and out-of-pocket expenses through the date of our withdrawal.

We appreciate the opportunity to be of service to Christian County, Missouri and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the enclosed copy and return it to us.

Very truly yours,

KPM CPAs, PC

KPM CPAs, PC

RESPONSE:

This letter correctly sets forth the understanding of Christian County, Missouri.

Management signature: *Ray W. [Signature]*

Title: *Presiding Commissioner*

Date: *3/3/16*

Attachment: 3-3-16 KPM Letter confirming Services (2820 : Entrance Conference with Independent Auditor)

Sartain Fischbein + Co.



Accounting + Consulting since 1951

System Review Report

To the Shareholders of
KPM CPAs, PC
and the Peer Review Committee of the Missouri Society of CPA's

We have reviewed the system of quality control for the accounting and auditing practice of KPM CPAs, PC (the firm) in effect for the year ended November 30, 2014. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants. As a part of our peer review, we considered reviews by regulatory entities, if applicable, in determining the nature and extent of our procedures. The firm is responsible for designing a system of quality control and complying with it to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Our responsibility is to express an opinion on the design of the system of quality control and the firm's compliance therewith based on our review. The nature, objectives, scope, limitations of, and the procedures performed in a System Review are described in the standards at www.aicpa.org/prsummary.

As required by the standards, engagements selected for review included engagements performed under the *Government Auditing Standards* and audits of employee benefit plans.

In our opinion, the system of quality control for the accounting and auditing practice of KPM CPAs, PC in effect for the year ended November 30, 2014, has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of *pass*, *pass with deficiency(ies)* or *fail*. KPM CPAs, PC has received a peer review rating of *pass*.

Sartain Fischbein + Co.

May 15, 2015

Attachment: 3-3-16 KPM Letter confirming Services (2820 : Entrance Conference with Independent Auditor)