

Morton County Commission Meeting Agenda

June 8, 2023

**Commission Room, Morton County Courthouse
210 2nd Ave NW, Mandan ND**

5:30 PM

- Call to order
- The Pledge of Allegiance
- Roll Call
- Approval of Agenda
- Approval of minutes for previous meetings
- Approve monthly bills and payroll – Commissioner Zachmeier

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1. Kyle Kirchmeier/Morton County Sheriff
 - 600 – Security Entry and Exit
2. Dawn Rhone/MC Auditor
 - Fraud Risk Assessment
3. Other

6:00 P.M. Public Hearing

- **Board of Equalization**

*ISSUES MAY BE ADDED OR DELETED BY MEETING DAY.

MORTON COUNTY COMMISSION REGULAR MEETING
May 23, 2023

The Morton County Commission Regular Meeting was called to order on May 23, 2023 at 5:30 PM by Chairman Boehm at the Morton County Courthouse, 210 Second Avenue NW, Mandan, North Dakota. Others present were Commissioners Zachmeier, Leingang, Buckley and Morrell and Auditor Rhone. Also present were States Attorney Kopyy and Sheriff Kirchmeier.

Morrell moved and Leingang seconded to approve the agenda. All voting aye, motion carried.

Zachmeier moved and Buckley seconded to approve the minutes of the May 11, 2023 regular meeting. All voting aye, motion carried.

Zachmeier moved and Morrell seconded to approve bills and payroll. All voting aye, motion carried.

Buckley moved and Morrell seconded to approve abatements #6203 & 6204. All voting aye, motion carried.

Morrell moved and Leingang seconded to approve abatements #6205 & 6206. All voting aye, motion carried.

Buckley moved and Zachmeier seconded to appoint Natasha Bohl to the unexpired term expiring 6/30/2024 on the Morton Mandan Library Board. All voting aye, motion carried.

The total of all county funds expended from May 12, 2023 through May 23, 2023 equals \$632,136.76.

A detailed list of funds expended by check is available for public inspection anytime during regular business hours at the Morton County Auditor's Office.

Morrell moved and Leingang seconded to adjourn at 6:19 PM.

Nathan Boehm, Chairman, Morton County Commission _____

Dawn R Rhone, County Auditor _____

600-001 – Security (Entry and Exit Protocols)

Adopted - 5/24/2016.1/26/2016

Revised - N/A

Legal Ref - NDCC 34-01-20; NDCC 34-11.1-04

Purpose

This policy is intended to encourage employees to adhere to security protocols outlined by the Morton County Sheriff's Office. The Courthouse Security and Transport Team is appointed to carry out the orders of the County Sheriff in an effort to reduce the risk of a security incident through the implementation of the security practices outlined below.

General Policy

An employee is defined by this policy as a part-time, full-time, temporary, seasonal, appointed, elected official, and/or any other agents of Morton County.

Employees have a business-related need to utilize entry and exit points within the Morton County Courthouse to carry out the functions of each position. This policy is designed to educate staff what entry and exit points are available for use, who is eligible to use the different points of entry and exit, and when those points may be utilized.

When a FOB is assigned, the access card may only be used by the individual assigned to the card. It shall not be provided to another individual for use.

The Morton County Courthouse has four primary points of ingress and egress: the Northern Entrance, Eastern Entrance, Southern Entrance and the Western Entrance. These are the only doors that may be utilized to enter and exit the building, apart from an emergency.

- The Western Entrance is the primary entry and exit point for both employees, building occupants, stakeholders, and the general public. This door may be utilized at any point during normal business hours. Individuals appointed with FOB Access may utilize this entry and exit point outside of business hours for work-related purposes.
- The Northern Entrance is a secondary point of entry and exit. This door may only be used by those granted FOB Access, as approved by both the Department Head and the Morton County Sheriff.
- The Eastern Entrance is a secure entry point and may only be utilized by individuals with FOB access when conducting business within the Law Enforcement Center and/or utilization of the County Fleet. Law Enforcement and States / Assistant States Attorney's may move freely through this exit and entrance point due to the sensitive nature of their position and threat level assigned to their position.
- The South Entrance is a secure entry and exit point that may not be used without direct approval from the Morton County Sheriff. The only individuals currently approved to utilize this entrance is a member of Law Enforcement and District Judges.

Violations

The assignment of FOB Access is a privilege given to Team Members within Morton County. If a FOB has been utilized outside of this process, the access afforded by the FOB could be suspended or terminated.

- For an initial offense, the assigned party will be educated on the policy and issued a verbal warning to cease activity in association with the misuse. The supervisor will receive a courtesy notice of the interaction.
- For a second following offense, access may discontinue for a period of thirty days.
- Third offense FOB may be discontinued for sixty days.
- For ongoing misuse, Morton County may discontinue FOB access for the life of employment.

Authority

Department Heads and supervisors are not responsible for investigating the activity or for determining fault or corrective measures; appropriate officials are charged with these responsibilities. It is expected that Department Heads and Supervisors work alongside our security team to address and adhere to these expectations.

Periods of Leave

During periods of leave, individuals may be required to relinquish their FOB.

- For any period assigned as Administrative Leave, an employee/supervisor must obtain the FOB and return to the Courthouse Security and Transport Team.
- For a long-term absence extending beyond thirty days, an employee/supervisor must obtain the FOB and return to the Courthouse Security and Transport Team prior to leave.



Morton County Commission
Morton County Courthouse
210 2nd Ave NW
Mandan, ND 58554
(701) 667.3414

Stewardship of Public Trust | Respect for Diverse Voices & Ideas | Responsive & Comprehensive Customer Service | Leadership with Ethics and Integrity | Culture of Teamwork & Collaboration

MEETING DATE: June 8, 2023
PREPARATION DATE: June 6, 2023
SUBMITTING DEPARTMENT: Auditor
DEPARTMENT DIRECTOR: Dawn R Rhone
PRESENTER: Dawn R Rhone
SUBJECT: Fraud Risk Assessment

STATEMENT/PURPOSE: The State Auditors are requesting we have a Fraud Risk Assessment approved by the Commission.

BACKGROUND/ALTERNATIVES: NA

ATTACHMENTS: Fraud Risk Assessment

FISCAL IMPACT: NA

STAFF IMPACT: NA

LEGAL REVIEW: NA

RECOMMENDATION Move to approve the Fraud Risk Assessment as presented.

SUGGESTED MOTION: Move to approve the Fraud Risk Assessment as presented.

Fraud Risk Assessment
Morton County

Completed by: Dawn Rhone
Date: 6/5/2023
Approved by the Board:

Financial Reporting:	Identified Fraud Risks	Likelihood/HL	Significant (Y/N)	Department	Existing Controls	Control Adequate?	Control Monitored?	Fraud Risk Response	
	Revenue Recognition	Cash payments to depts	low	possible	All	Depts provide a receipt to the individual at time of payment. Depts then send those payments to the Treasurer to receipt into the GL. Yes, revenue reports are reviewed monthly at the least. Cash is balanced daily and double checked via a second party. Receipts are generated in numerical order and verified daily.	Yes, Cash balanced and verified by two individuals and then locked in safe. Multiple spreadsheets used to balance daily and are used by multiple people. If there was an error, someone would run across it. If a cash tax payment was misapplied, courtesy notices are sent to homeowners, who would then call in to question balance due.	I believe our controls are adequate.	
	Expenditure Recognition	Personal expenses paid by county - fraudulent bill	low	possible	All	All expenses paid by check or credit card are reviewed by the A/P tech in the auditors office and then by the auditor and a commissioner.	Yes, all expenses paid by credit card are reviewed and verified by the actual receipt and signed off/approved by a reconcile of the cardholder and the dept head before coming to the auditors office to be reviewed again by Auditor staff and a commissioner. All expenses paid by check are reviewed and approved by dept head before the auditor's office cuts a check. All check expenses are reviewed and approved by the auditor and a commissioner before payments are sent out.	Yes, credit cards are reviewed and reconciled by cardholder and dept head before submission to the Auditor's office. Expenses paid by check are reviewed and approved before being sent out for payment by the auditor and a commissioner.	We do have a credit card policy and a fraud policy in place. There have been mistakes with credit card users using their county issued card to pay for personal items. These instances have been caught right away and the cardholder reimburses the county for the purchase.
		Expenses not approved by dept head/or are outside of policies	low	possible	all	All expenses paid by check or credit card are reviewed by the A/P tech in the auditors office and then by the auditor and a commissioner. The Auditor reviews reports monthly (dept heads are provided monthly revenue and expense reports)	Yes, all expenses paid by credit card are reviewed and verified by the actual receipt and signed off/approved by a reconcile of the cardholder and the dept head before coming to the auditors office to be reviewed again by Auditor staff and a commissioner. All expenses paid by check are reviewed and approved by dept head before the auditor's office cuts a check. All check expenses are reviewed and approved by the auditor and a commissioner before payments are sent out.	Yes, credit cards are reviewed and reconciled by cardholder and dept head before submission to the Auditor's office. Expenses paid by check are reviewed and approved before being sent out for payment by the auditor and a commissioner.	I believe our controls are adequate. If there were to be an expense that falls outside of the bill payment policy, the board of commissioners can make the determination on whether or not to pay it.
	Balance Sheet	Reports could be modified	low	possible	all	State Auditors prepare these financials based on information provided by the County	Yes, Morton County is audited by the State yearly.	Yes, multiple reports are reviewed at least monthly.	I believe our controls are adequate due to outside audit.
	Government Wide Statements	NA	NA	NA	NA	Yes, performed by State	Yes, performed by State	I believe our controls are adequate due to outside audit.	
Misappropriation of Assets:									
	Cash	Cash payments to depts	low	possible	All	Depts provide a receipt to the individual at time of payment. Depts then send those payments to the Treasurer to receipt into the GL. Yes, revenue reports are reviewed monthly at the least. Cash is balanced daily and double checked via a second party.	Yes, Cash balanced and verified by two individuals and then locked in safe. Multiple spreadsheets used to balance daily and are used by multiple people. If there was an error, someone would run across it. Cash is balanced at month end with the Auditor's office also.	I believe our controls are adequate.	
	Expenditures	Personal expenses paid by county	low	possible	All	All expenses paid by check or credit card are reviewed by the A/P tech in the auditors office and then by the auditor and a commissioner.	Yes, all expenses paid by credit card are reviewed and verified by the actual receipt and signed off/approved by a reconcile of the cardholder and the dept head before coming to the auditors office to be reviewed again by Auditor staff and a commissioner. All expenses paid by check are reviewed and approved by dept head before the auditor's office cuts a check. All check expenses are reviewed and approved by the auditor and a commissioner before payments are sent out.	Yes, credit cards are reviewed and reconciled by cardholder and dept head before submission to the Auditor's office. Expenses paid by check are reviewed and approved before being sent out for payment by the auditor and a commissioner.	There have been mistakes with credit card users using their county issued card to pay for personal items. These instances have been caught right away and the cardholder reimburses the county for the purchase. We have a county credit card policy in place.
		Expenses not approved by dept head/or are outside of policies	low	possible	all	All expenses paid by check or credit card are reviewed by the A/P tech in the auditors office and then by the auditor and a commissioner.	Yes, all expenses paid by credit card are reviewed and verified by the actual receipt and signed off/approved by a reconcile of the cardholder and the dept head before coming to the auditors office to be reviewed again by Auditor staff and a commissioner. All expenses paid by check are reviewed and approved by dept head before the auditor's office cuts a check. All check expenses are reviewed and approved by the auditor and a commissioner before payments are sent out.	Yes, credit cards are reviewed and reconciled by cardholder and dept head before submission to the Auditor's office. Expenses paid by check are reviewed and approved before being sent out for payment by the auditor and a commissioner.	I believe our controls are adequate. If there were to be an expense that falls outside of the bill payment policy, the board of commissioners can make the determination on whether or not to pay it.
	Revenue	Improper classification not applied to outstanding receivables	low	no	all	If revenues are not recorded correctly, a journal entry is entered to correct. Yes, there are only a few departments that create receivables, and all receivables are receipted into the GL from the auditors office.	Yes, Auditor reviews misc receipts monthly.	I believe controls are adequate. Bank reconciliations are performed monthly to ensure all monies received are recorded.	
	Payables	fraudulent invoices	low	possible	all	All expenses paid by check or credit card are reviewed by the A/P tech in the auditors office and then by the auditor and a commissioner. HR dept reviews all payroll changes with the employee to make sure changes are not fraudulent.	yes, All invoices go through a lot of eyes before being entered for payment.	I believe our controls are adequate due to so many checks and balances being performed before checks are sent out.	
		Payroll Scams	low	possible	all	Dept heads sign off on time cards before designated employee enters the time into the system.	yes, There are dual controls in place in HR dept to prevent fraudulent requests.	Yes, if an employee account gets scammed, they will for sure be on the phone with us first.	Controls are adequate at this time. I feel our controls are adequate. Dept heads are responsible for their employees and their time they are reporting.
	Capital Asset	Personal use or theft	low	no	all	Departments are responsible for their assets. Physical inventory is performed every other year (usually not in an election year) to ensure nothing has gone missing or has been damaged outside of the scope of work.	yes, physical inventory is performed to ensure accuracy. Dept heads are responsible for control of their assets.	yes, offices and /or shops are locked when not in use and most if not all buildings have security system of some sort. If a department allowed any misuse of assets, other employees would make it known to someone else (aka, its not fair)	I believe our controls are adequate
	Long Term Debt	Errors in calculations	low	possible	all	Outside professional services prepare all bonds and amortization schedules along with transfers of monies regarding bond issuances. Commissioners are mostly aware of each others private interests and will abstain from voting on an issue if they have a direct connection	Yes, outside professional services and banks have their own fraud mitigation policies in place to protect us as their clients. Very trusted partners with the county.	Yes, communication between bond counsel and banks ensure accuracy of payments and other vital information	I believe controls are adequate
	Conflict of Interest	Commissioners that operate businesses	high	possible	all	Commissioners are mostly aware of each others private interests and will abstain from voting on an issue if they have a direct connection	yes, commissioners hold themselves and each other responsible for abstaining from voting on any issue they have a direct interest in.	Yes, most issues are discussed to some extent before any meeting and conflicts of interests are identified.	I believe our controls are adequate as there are rules in place via NDCC on boards of commissioners
	Related Party Transactions	Commissioners that operate businesses Add more if necessary	high	possible	all	Commissioners are mostly aware of each others private interests and will abstain from voting on an issue if they have a direct connection	yes, commissioners hold themselves and each other responsible for abstaining from voting on any issue they have a direct interest in.	Yes, most issues are discussed to some extent before any meeting and conflicts of interests are identified.	I believe our controls are adequate as there are rules in place via NDCC on boards of commissioners