

STATUTORY REPORT

# ADAIR COUNTY SHERIFF TURNOVER

November 8, 2012



*Independently serving the citizens of  
Oklahoma by promoting the  
accountability and fiscal integrity of  
governmental funds.*



Oklahoma State  
Auditor & Inspector  
Gary A. Jones, CPA, CFE

**COUNTY OFFICER TURNOVER STATUTORY REPORT  
JAMES AUSTIN YOUNG  
ADAIR COUNTY SHERIFF  
NOVEMBER 8, 2012**

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# Oklahoma State Auditor & Inspector

2300 N. Lincoln Blvd. • State Capitol, Room 100 • Oklahoma City, OK 73105 • Phone: 405.521.3495 • Fax: 405.521.3426

February 6, 2013

BOARD OF COUNTY COMMISSIONERS  
ADAIR COUNTY COURTHOUSE  
STILWELL, OKLAHOMA 74960

Transmitted herewith is the Adair County Officer Turnover Statutory Report for November 8, 2012. The engagement was conducted in accordance with 19 O.S. § 171.

The goal of the State Auditor and Inspector is to promote accountability and fiscal integrity in state and local government. Maintaining our independence as we provide this service to the taxpayers of Oklahoma is of utmost importance.

We wish to take this opportunity to express our appreciation for the assistance and cooperation extended to our Office during our engagement.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Gary A. Jones', is written over a light blue horizontal line.

GARY A. JONES, CPA, CFE  
OKLAHOMA STATE AUDITOR & INSPECTOR



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James Austin Young  
Adair County Sheriff  
Adair County Courthouse  
Stilwell, Oklahoma 74960

For the purpose of complying with 19 O.S. § 171, we have performed the following procedures for November 8, 2012:

- Verify that equipment items on hand agree with inventory records as per 19 O.S. § 178.1.
- Verify that the amount of total claims approved for the operation of said Office is not in excess of limitations imposed by 19 O.S. § 347.
- Verify that the Office is not exceeding the maximum amount of cash authorized for their change needs per 19 O.S. § 682.
- Verify that a monthly report of the Office is on file with the County Clerk per 19 O.S. § 684.
- Verify that the Officers' depository account balances reconcile with the County Treasurer's records and that undeposited cash reconciles to receipts.

Information addressed in this report is the representation of the respective county officers.

Our county officer turnover engagement was limited to the statutory procedures described above and was less in scope than an examination or audit performed in accordance with auditing standards generally accepted in the United States of America, the objective of which would be the expression of an opinion. Accordingly, we do not express an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

Based on our procedures performed, we have presented our findings in the accompanying schedule.

This report is intended solely for the information and use of the management of the County and should not be used for any other purpose. This report is also a public document pursuant to the Oklahoma Open Records Act (51 O.S. § 24A.1 et seq.), and shall be open to any person for inspection and copying.

A handwritten signature in blue ink, appearing to read "Gary A. Jones".

GARY A. JONES, CPA, CFE  
OKLAHOMA STATE AUDITOR & INSPECTOR

November 13, 2012

**COUNTY OFFICER TURNOVER STATUTORY REPORT  
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**SCHEDULE OF FINDINGS AND RESPONSES**

**Finding 2013-1 – Fixed Asset Inventory**

**Condition:** During our review, it was determined that an accurate fixed asset inventory list had not been prepared or maintained by the Sheriff's office and filed with the County Clerk.

**Cause of Condition:** Procedures have not been designed to ensure fixed assets are properly maintained and filed with the County Clerk.

**Effect of Condition:** This condition could result in misuse or loss of county property.

**Recommendation:** OSAI recommends management review inventory records and periodically perform counts to determine all equipment listed on inventory records is properly accounted for. OSAI also, recommends management present an annual inventory listing to the Board of County Commissioners to be filed with the County Clerk's office.

**Management Response:**

**Current Sheriff:** Once turnover is complete an accurate list of inventory will be done for all items with a \$500.00 or more value and filed at the County Clerk's office. Furthermore, a list of inventory items less than \$500.00 will be completed and filed within my office.

**Criteria:** Title 19 O.S. § 178.1 states:

“The board of county commissioners in each county of this state shall take, or cause to be taken, an inventory of all working tools, apparatus, machinery and equipment belonging to the county or leased or otherwise let to it or to any department thereof, other than that which is affixed to and made a part of lands and buildings, the cost of which as to each complete working unit thereof is more than Five Hundred Dollars (\$500.00), and therefore maintain or cause to be maintained a continuous inventory record thereof and of like tools, apparatus, machinery and equipment purchased, leased, or otherwise coming into custody of the county or of any office, board, department, commission or any either thereof, and the disposition thereof whether sold, exchanged, leased, or let where authorized by statute, junked, strayed or stolen, and biennially thereafter, or oftener in the event of death, resignation or removal of an elective officer with a term, to verify or cause to be verified by count and report of the same as of the end of a term of office.”

**Finding 2013-2 – Monthly Fee Report**

**Condition:** The Sheriff did not prepare a monthly fee report and submit it to the County Clerk as required by 19 O.S. § 684. Also, the Sheriff did not maintain an Official Depository ledger; therefore, the monthly balance was not reconciled to the County Treasurer's balance.

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**Cause of Condition:** Procedures have not been designed to ensure a monthly reconciliation is performed. Also, the Sheriff was unaware of requirements of 19 O.S. § 684.

**Effect of Condition:** This condition could result in unrecorded transactions, undetected errors, or misappropriation of funds.

**Recommendation:** OSAI recommends the Sheriff file a monthly fee report with the County Clerk as required by 19 O.S. § 684. Also, OSAI recommends that the Sheriff maintain a ledger to document daily deposits and disbursements and reconcile monthly with the County Treasurer's Official Depository balance.

**Management Response:**

**Current Sheriff:** A monthly fee report has been completed but not filed at the County Clerk's office. To correct this, all completed reports are being filed at the County Clerk's office and future reports will be completed and filed at the County Clerk's office by the 10<sup>th</sup> of each month.

**Criteria:** Title 19 O.S. § 684 states:

All monies that shall be received during any calendar month by any county officer, county board, county commission or the members or employees of either thereof, accruing as a part of the funds of the county or municipal subdivision thereof, shall be paid into the county treasury." It further states, "and it shall be the further duty of all such officers, boards, commissions, and the members and employees of either thereof, to make and file with the county clerk on or before the second Monday of each month, a verified report in writing showing the several sources, classes and amounts of money received by virtue or under color of office during the preceding calendar month, together with an itemized statement of the amount and purpose of all vouchers issued in disbursement, distribution and transfer thereof.

**Finding 2013-3 – Fund Balances**

**Condition:** During our examination of fund balances for the Sheriff, we discovered the expenditures exceeded the maximum amount allowed for the operation of the office for the following funds:

- Sheriff Detention \$ 5,605.48
- Sheriff Cherokee Nation \$ 3,764.10
- Sheriff Jail Operations \$32,453.35

**Cause of Condition:** Procedures have not been designed to track expenditures and ensure compliance with state statute.

**Effect of Condition:** This condition resulted in violation of 19 O.S. § 347.C and could result in financial hardship for the incoming officer in carrying out his or her official duties.

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**Recommendation:** OSAI recommends the County establish procedures to verify outgoing officers do not make expenditures in excess of statutory limitations. When circumstances exist creating the need to exceed those limits, the Excise Board has the power to grant written permission for the expenditures.

**Management Response:**

**Current Sheriff:** Although the former Sheriff's expenditures did exceed the maximum amount allowed to operate the office, I conducted an extensive review of the spending of the department for this fiscal year and did not find any expenditures that were not for the operation of the Sheriff's office.

**Criteria:** Title 19 § 347.C states:

Whenever a county officer holding an elective office will not immediately serve a succeeding term in the same office, it shall be unlawful for the board of county commissioners, during the first six months of the fiscal year in which said term of office expires, to approve claims for the operation of said office totaling in excess of one-half (1/2) the amount allocated for the operation of said office during said fiscal year, unless approval in writing is obtained from the excise board, and any claim in excess thereof and any warrant issued pursuant thereto shall be null and void.



OFFICE OF THE STATE AUDITOR AND INSPECTOR

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