



ALFALFA COUNTY SHERIFF TURNOVER

Statutory Report

June 24, 2024

Cindy Byrd, CPA
State Auditor & Inspector

**COUNTY OFFICER TURNOVER STATUTORY REPORT
RICK WALLACE
ALFALFA COUNTY SHERIFF
JUNE 24, 2024**

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August 20, 2024

BOARD OF COUNTY COMMISSIONERS
ALFALFA COUNTY COURTHOUSE
CHEROKEE, OKLAHOMA 73728

Transmitted herewith is the Alfalfa County Officer Turnover Statutory Report for June 24, 2024. 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 that reads "Cindy Byrd".

CINDY BYRD, CPA
OKLAHOMA STATE AUDITOR & INSPECTOR



Rick Wallace
Alfalfa County Sheriff
Alfalfa County Courthouse
Cherokee, Oklahoma 73728

For the purpose of complying with 19 O.S. § 171, we have performed the following procedures for June 24, 2024:

- Verify that equipment items on hand agree with inventory records maintained per 19 O.S. § 178.1 and 19 O.S. § 178.2.
- 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.
- Verify that the Inmate Trust Ledgers are reconciled to the Bank Statement in accordance with 19 O.S. § 531.
- Verify that the Sheriff maintains an evidence locker log and that the entrance to the evidence locker is restricted. Document who has access (keys or combination) to the evidence locker.
- Verify that the Sheriff maintains a log of all county owned weapons and to whom they are issued.

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

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 that reads "Cindy Byrd".

CINDY BYRD, CPA
OKLAHOMA STATE AUDITOR & INSPECTOR

August 8, 2024

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SCHEDULE OF FINDINGS AND RESPONSES

Finding 2024-001 – Lack of Internal Controls and Noncompliance Over Fixed Assets Inventory

Condition: Upon inquiry and observation of the Sheriff’s office, and test of one hundred and eighty-one (181) fixed asset items, the following weaknesses were noted:

- Four (4) items could not be located.

County Identification Number	Description	Serial Number	Date Purchased	Amount
B628 100.06	RADAR	DC095038	No date listed	\$ -
B680 100.01	K9 COOL GUARD	M852-5	No date listed	\$ -
B628 100.13	SCANNER	367C38011394	No date listed	\$ -
B602 100.09	RADIO	B4700007	No date listed	\$ -

- Five (5) items could not be located due to warranty replacement of body cameras.

County Identification Number	Description	Serial Number	Date Purchased	Amount
B613 100.09	BODY CAMERA	WFC1-110456	5/18/2020	\$995
B613 100.10	BODY CAMERA	WFC1-110447	5/18/2020	\$995
B613 100.11	BODY CAMERA	WFC1-110395	5/18/2020	\$995
B613 100.12	BODY CAMERA	WFC1-110454	5/18/2020	\$995
B613 100.13	BODY CAMERA	WFC1-110451	5/18/2020	\$995

- One (1) item was missing a county identification number, and the serial number does not match the equipment.

County Identification Number	Description	Serial Number	Date Purchased	Amount
B602 100.05	DURA COM Power Supply	CH 30107251	6/15/2006	\$755

Cause of Condition: Policies and procedures have not been designed and implemented to ensure compliance with state statutes regarding maintaining fixed assets.

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Effect of Condition: These conditions resulted in noncompliance with state statutes. Opportunities for loss and misappropriation of County assets may be more likely to occur when the County does not have procedures in place to accurately account for the County’s fixed assets inventory.

Recommendation: The Oklahoma State Auditor & Inspector’s Office (OSAI) recommends management implement internal controls to ensure compliance with state statutes. These internal controls would include maintaining an accurate inventory report, ensuring serial numbers are visible and accurate, and properly marking inventory with a county identification number.

Management Response:

Former County Sheriff: These four items were mistakenly sold with a K9 unit that was surplus property and sold at an auction in Elk City, OK. The five body cameras were returned to the vendor and replaced due to being faulty. They were not claimed to be surplus property before being sent back. The power supply was located at the repeater tower on State Highway 11 and was struck by lightning and was replaced without being claimed as surplus property.

Criteria: The United States Government Accountability Office’s *Standards for Internal Control in the Federal Government* (2014 version) aided in guiding our assessments and conclusion. Although this publication (GAO Standards) addresses controls in the federal government, this criterion can be treated as best practices and may be applied as a framework for an internal control system for state, local, and quasigovernmental entities.

The GAO Standards – Principle 10 – Design Control Activities – 10.03 states in part:

Physical control over vulnerable assets

Management establishes physical control to secure and safeguard vulnerable assets. Examples include security for and limited access to assets such as cash, securities, inventories, and equipment that might be vulnerable to risk of loss or unauthorized use. Management periodically counts and compares such assets to control records.

The GAO Standards – Section 2 – Objectives of an Entity – OV2.24 states in part:

Safeguarding of Assets

Management designs an internal control system to provide reasonable assurance regarding prevention or prompt detection and correction of unauthorized acquisition, use, or disposition of an entity’s assets.

Title 19 O.S. § 178.1 requires the board of county commissioners in each county of this state to take or cause to be taken, an inventory of all working tools, apparatus, machinery, and equipment.

Title 19 O.S. § 421 states, “From and after the effective date of this act, each board of county commissioners of the several counties in the state shall within thirty (30) days after the

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disposition of any tools, apparatus, machinery, and equipment belonging to the county or leased or otherwise let to it or any department thereof, the original cost of which is more than Five Hundred Dollars (\$500.00), whether sold, exchanged, junked, leased or let where authorized by statute, shall enter, or cause to be entered, in the minutes of the proceedings of the board the fact of such disposition, including complete description of item, serial number, the date property was acquired, the name and address of the person or firm from whom property was acquired, the cost price at time of acquisition or contract price if acquired under lease-rental agreement, the date of disposition, the name and address of the person or firm to whom property transferred, the price received therefor and the reason for disposition.”

Title 19 O.S. § 1502(A)(1) requires a prescribed uniform identification system for all supplies, materials, and equipment of a county used for maintenance for roads and bridges.

Title 19 O.S. § 1502(B)(1) requires a prescribed uniform identification system for all supplies, materials, and equipment of a county not used in the construction and maintenance for roads and bridges.

Finding 2024-002 – Lack of Internal Controls and Noncompliance Over Bank Reconciliations for the Inmate Trust Fund Checking Account

Condition: Upon review of the Sheriff’s Inmate Trust Fund Checking Account, the following was noted:

- A check register is used to reconcile the Inmate Trust Fund Checking Account due to the lack of activity within this account. This check register is not chronological, accurate, or clearly stated.
- The ledgers cannot accurately identify each inmate’s funds individually.

Cause of Condition: Policies and procedures have not been designed and implemented to ensure compliance with state statutes regarding maintaining bank reconciliations.

Effect of Condition: These conditions resulted in noncompliance with state statute and could result in misappropriation of funds, inaccurate records, and incomplete information.

Recommendation: OSAI recommends that information be entered into the software in an accurate and reoccurring manner that will allow for inmate’s funds to be individually identifiable within the software. It is also recommended that the reconciliation be done in a way that is accurate, clearly stated, and evidence of a second review with initials and date. Unknown variances should be investigated.

Management Response:

Former County Sheriff: During the booking process when an arrestee has monies on their person, the amount shall be noted on the booking sheet and counted by the jailer and one other person in front of the inmate. Note the booking process is video and audio recorded. The arrestee’s monies will be placed in an envelope, sealed, and then initialed by the jailer and the other person and the arrestee. The monies will then

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be deposited at the Alfalfa County Bank that day of the arrest, or if after hours the next business day unless the arrestee bonds out before the deposit is made, then his/her monies are returned. I believe this is in the Greenbook but was not put in policy. The bank registers were brought to the secretary's attention and shall be corrected to meet statute. Also, approximately four to six months ago the Alfalfa County Jail started a commissary, and it should help track the incoming and outgoing of inmate monies.

Criteria: The GAO Standards – Principle 16 – Perform Monitoring Activities – 16.05 states in part:

Internal Control System Monitoring

Management performs ongoing monitoring of the design and operating effectiveness of the internal control system as part of the normal course of operations. Ongoing monitoring includes regular management and supervisory activities, comparisons, reconciliations, and other routine actions.

Title 19 O.S. § 531 states that the county sheriff may establish a checking account, to be designated the “Inmate Trust Fund Checking Account”, to be managed by the county sheriff and maintained separately from regular county funds. The checking account shall be subject to audit by the State Auditor and Inspector. The county sheriff shall deposit all monies collected from inmates incarcerated in the county jail into this checking account and may write checks to the Sheriff's Commissary Account for purchases made by the inmate during his or her incarceration and to the inmate from unencumbered balances due the inmate upon his or her discharge.

O·K·L·A·H·O·M·A
S·A·I
STATE AUDITOR & INSPECTOR



Cindy Byrd, CPA | State Auditor & Inspector

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