

# ATOKA COUNTY

FOR THE FISCAL YEAR ENDED  
JUNE 30, 2007

# COUNTY AUDIT



Oklahoma State Auditor  
& Inspector

**ATOKA COUNTY, OKLAHOMA  
FINANCIAL STATEMENT  
AND INDEPENDENT AUDITOR'S REPORT  
FOR THE FISCAL YEAR ENDED JUNE 30, 2007**

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# STATE AUDITOR AND INSPECTOR

STEVE BURRAGE, CPA  
State Auditor

MICHELLE R. DAY, ESQ.  
Chief Deputy



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March 19, 2010

TO THE CITIZENS OF  
ATOKA COUNTY, OKLAHOMA

Transmitted herewith is the audit of Atoka County, Oklahoma for the fiscal year ended June 30, 2007. A report of this type is critical in nature; however, we do not intend to imply that our audit failed to disclose commendable features in the present accounting and operating procedures of the County.

We wish to take this opportunity to express our appreciation for the assistance and cooperation extended to our office during the course of our audit.

The Office of the State Auditor and Inspector is committed to serving the public interest by providing independent oversight and by issuing reports that serve as a management tool to the State to ensure a government which is accountable to the people of the State of Oklahoma.

Sincerely,

A handwritten signature in blue ink, reading "Steve Burrage", is positioned above the printed name.

STEVE BURRAGE, CPA  
STATE AUDITOR & INSPECTOR

**ATOKA COUNTY, OKLAHOMA  
FINANCIAL STATEMENT  
FOR THE FISCAL YEAR ENDED JUNE 30, 2007**

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**ATOKA COUNTY, OKLAHOMA  
FINANCIAL STATEMENT  
FOR THE FISCAL YEAR ENDED JUNE 30, 2007**

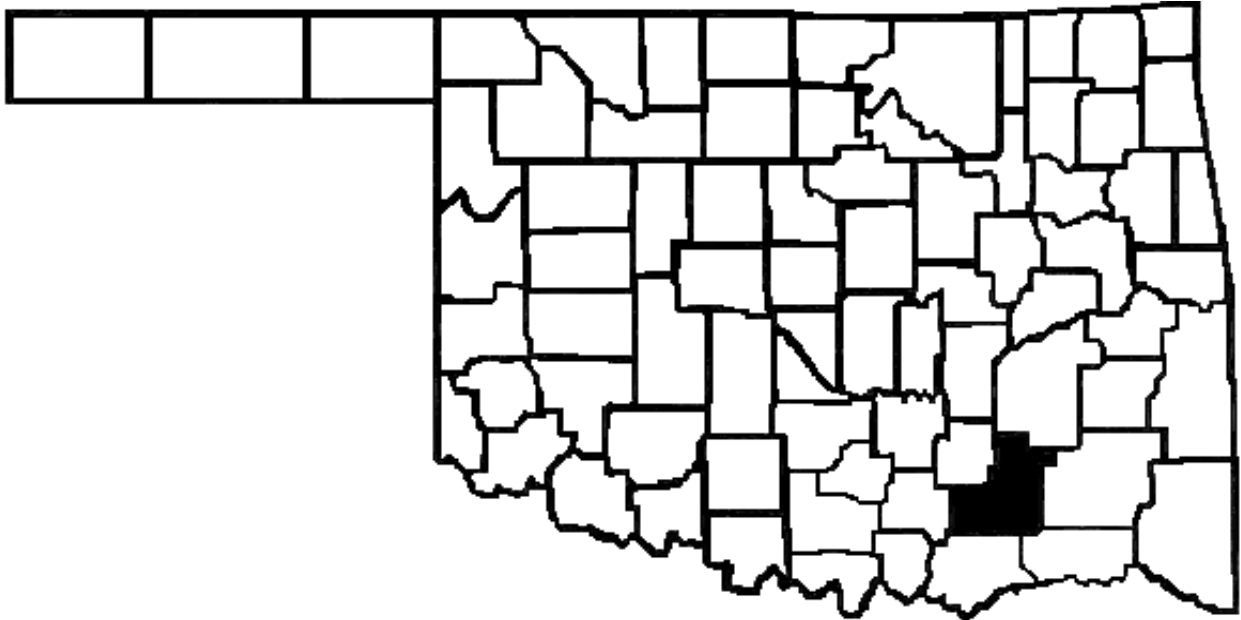
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**REPORT TO THE CITIZENS  
OF  
ATOKA COUNTY, OKLAHOMA**

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Settled in the mid-1800s, this county was first called Shappaway, with the county seat located at the Choctaw Court grounds on the banks of the Muddy Boggy River. The name was later changed to Atoka in honor of Captain Atoka, a noted Choctaw who led a band of his people to this area during the removal. Atoka, the county seat, was a stop on the Butterfield Overland Stage Road, the route followed when mail service began between Missouri and San Francisco in 1857. Boggy Depot, located in the western part of the county, served as an important trading post during early years and is now historic Boggy Depot State Park.

Well known for its hunting and fishing, half its area is forested and contains several mountain streams and man-made lakes. It is the site of Oklahoma's largest rock quarry, which is located in Stringtown.

The county claims many firsts including Oklahoma's first Masonic Lodge, first chapter of Eastern Star, and first Catholic Church in Indian Territory. Country entertainer Reba McEntire is from the county. *Tales of Atoka County Heritage* and Atoka County Museum offer more information. The Chamber of Commerce serves as a tourist center, and the Confederate Memorial Museum and Cemetery is also an information and rest area, located on HWY 69 north of Atoka. For more information, call the Atoka Chamber of Commerce at (580)889-2410.

County Seat – Atoka

Area – 990 Square Miles

County Population – 14,456  
(2005 est.)

Farms – 1,206

Land in Farms – 492,174 Acres

Primary Source: Oklahoma Almanac 2007-2008

See independent auditor's report.

**ATOKA COUNTY OFFICIALS  
AND RESPONSIBILITIES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2007**

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**COUNTY ASSESSOR**  
Nancy Hill

The County Assessor has the responsibility to appraise and assess the real and personal property within the county for the purpose of ad valorem taxation. Also, the County Assessor is required to compute the ad valorem taxes due on all taxable property. The County Assessor appraises all the taxable real and personal property according to its fair cash value for which the property is actually being used as of January 1 of the taxable year at the percentages provided for in Article 10, § 8 of the Oklahoma Constitution.

The County Assessor is required to build and maintain permanent records of the taxable real property and tax exempt real property within the county. Information entered on each record includes the property's legal description, owner's name and address, and the homestead exemption status of the owner.

**COUNTY CLERK**  
Raylene Hammond

The County Clerk serves as the register of deeds and custodian of records for the county. The County Clerk also serves as the secretary to several boards, including the Board of County Commissioners, the County Excise Board, the County Board of Equalization, and the Board of Tax Roll Corrections.

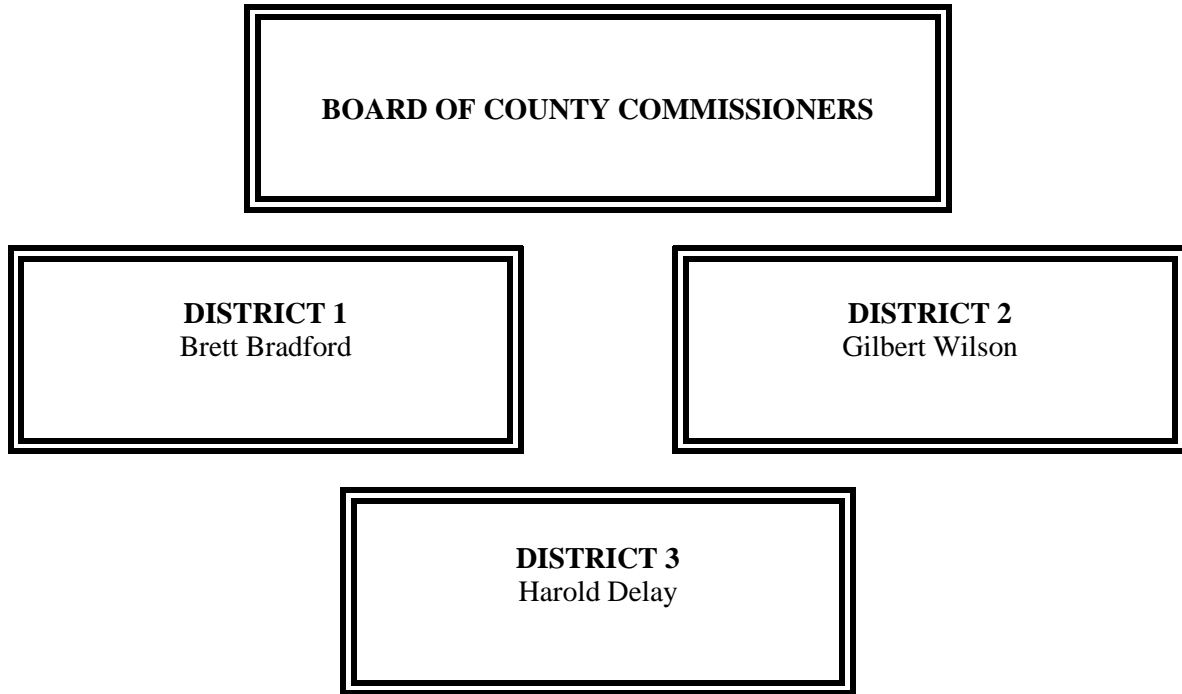
The County Clerk reviews all the claims for payment of goods and services purchased or contracted by the county, and prepares the proper warrants for payment of those goods and services and the county payroll. The County Clerk, or his or her designated deputy, serves as the purchasing agent for the county. This system is a means to ensure the public that tax dollars are being spent appropriately.

Various records within the different county offices are classified as “open records.” As such, they can be reviewed and mechanically copied by the public.

See independent auditor's report.

**ATOKA COUNTY OFFICIALS  
AND RESPONSIBILITIES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2007**

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The Board of County Commissioners is the chief administrative body for the county. County Commissioners are also responsible for maintaining and constructing the county roads and bridges.

The Commissioners must act as a Board when entering into contracts or other agreements affecting the county's welfare. Thus, actions taken by the Board are voted on and approved by a majority of the Commissioners. The Board of County Commissioners' business meetings are open to the public.

As the county's chief administrative body, the three County Commissioners must make major financial decisions and transactions. The Board has the official duty to ensure the fiscal responsibility of the other county officers who handle county funds. The review and approval procedures empowered to the Board of County Commissioners are a means to provide the public with a fiscally efficient system of county government.

See independent auditor's report.



**ATOKA COUNTY OFFICIALS  
AND RESPONSIBILITIES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2007**

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**COUNTY SHERIFF**  
Gary McCool

The County Sheriff is responsible for preserving the peace and protecting life and property within the county's jurisdiction. As the county's chief law enforcement officer, the Sheriff has the power and authority to suppress all unlawful disturbances, to apprehend and secure persons charged with felony or breach of peace, and to operate the county jail.

The County Sheriff has the responsibility of serving warrants and processing papers ordered by the District Court.

**COUNTY TREASURER**  
Richard Lillard

All collections by county government from ad valorem taxes and other sources are deposited with the County Treasurer. The County Treasurer collects ad valorem taxes for the county and its political subdivisions. The County Treasurer is authorized to issue delinquent personal property tax warrants and to impose tax liens on real property for delinquent taxes.

To account for county collections and disbursements, the County Treasurer is required to maintain an accurate record of all the monies received and disbursed. The State Auditor and Inspector's Office prescribes all the forms used by the County Treasurer, and at least twice a year inspects the County Treasurer's accounts.

See independent auditor's report.

**ATOKA COUNTY OFFICIALS  
AND RESPONSIBILITIES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2007**

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**COURT CLERK**  
Barbara Hunt

The Court Clerk has the primary responsibility to record, file, and maintain as permanent records the proceedings of the District Court.

Court proceedings are recorded in the appropriate journal or record docket. All the court proceedings are public information except those related to juvenile, guardianship, adoption, and mental health cases.

The Court Clerk issues marriage licenses, passports, notary certificates, beer and pool hall licenses, and private process server licenses.

Monies from the court fund are identified for distribution by the Court Clerk to the appropriate units of county and state government. Court Clerks use forms and follow procedures prescribed by the Court Administrator's Office, the Oklahoma Supreme Court, and the State Auditor and Inspector.

**DISTRICT ATTORNEY**  
Emily Redman

As the chief attorney for county government, the District Attorney acts as the legal advisor to the county officers on matters related to their duties. The District Attorney represents the county in civil litigation. County officials may call upon the District Attorney to clarify a law or request an official interpretation from the Attorney General.

See independent auditor's report.

**ATOKA COUNTY OFFICIALS  
AND RESPONSIBILITIES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2007**

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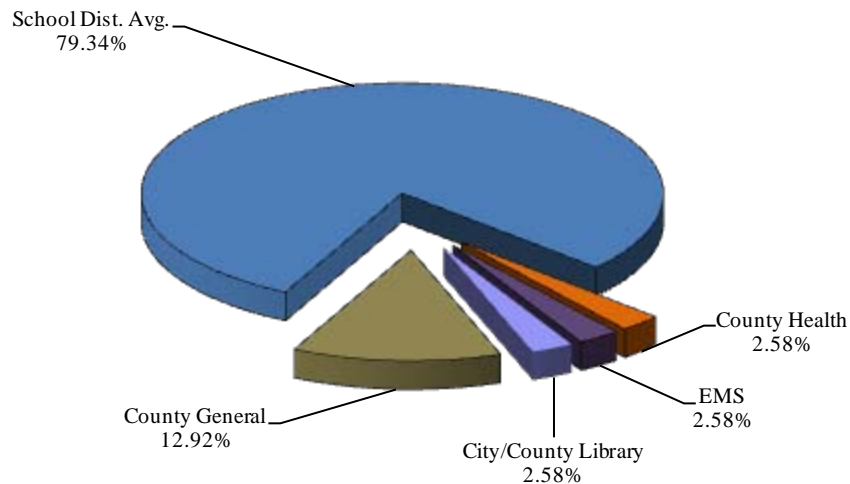
<b>ELECTION BOARD SECRETARY</b> Kathie Jones
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The Election Board Secretary is appointed by the State Election Board and is the chief administrative officer of the County Election Board. The County Election Board has direct responsibility for all the ballots used in all elections within the county. The Board also conducts all elections held within the county.

To finance the operation of the County Election Board, the County Excise Board must appropriate sufficient funds annually. The state and counties split the election costs, but counties must pay for any county elections not held concurrently with state elections.

**ATOKA COUNTY, OKLAHOMA  
AD VALOREM TAX DISTRIBUTION  
SHARE OF THE AVERAGE MILLAGE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2007**

Property taxes are calculated by applying a millage rate to the assessed valuation of property. Millage rates are established by the Oklahoma Constitution. One mill equals one-thousandth of a dollar. For example, if the assessed value of a property is \$1,000.00 and the millage rate is 1.00, then the tax on that property is \$1.00. This chart shows the different entities of the County and their share of the various millages as authorized by the Constitution.



County-Wide Millages			School District Millages						
				Gen.	Bldg.	Skg.	Career Tech	Common	Total
County General	10.00								
County Health	2.00	Stringtown	I-7	35.00	5.00	10.29	12.00	4.00	66.29
County EMS	2.00	Atoka	I-15	35.00	5.00	13.47	12.00	4.00	69.47
City/County Library	2.00	Tushka	I-19	35.00	5.00		12.00	4.00	56.00
		Harmony	D-21	35.00	5.00		12.00	4.00	56.00
		Lane	D-22	35.00	5.00	9.13	12.00	4.00	65.13
		Farris	D-23	35.00	5.00		12.00	4.00	56.00
		Caney	I-26	35.00	5.00	12.81	12.00	4.00	68.81
		Rock Creek	JT-2	35.00	5.00		12.00	4.00	56.00
		Coalgate	JT-1	35.00	5.00	2.24	12.00	4.00	58.24
		Olney	JT-4	35.00	5.00		12.00	4.00	56.00
		Caddo	JT-5	35.00	5.00		12.00	4.00	56.00
		Clayton	JT-10	35.00	5.00		12.00	4.00	56.00
		Kiowa	JT-14	35.00	5.00		12.00	4.00	56.00
		Coleman	JT-35	35.00	5.00	12.63	12.00	4.00	68.63
		Wapanucka	JT-37	35.00	5.00	14.57	12.00	4.00	70.57
		Pittsburg	JT-63	35.00	5.00	11.95	12.00	4.00	67.95

See independent auditor's report.

**ATOKA COUNTY, OKLAHOMA  
COMPUTATION OF LEGAL DEBT MARGIN  
FOR THE FISCAL YEAR ENDED JUNE 30, 2007  
(UNAUDITED)**

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Total net assessed value as of January 1, 2006		<u>\$ 50,773,576</u>
Debt limit - 5% of total assessed value		2,538,679
Total bonds outstanding	-	
Total judgments outstanding	-	
Less cash in sinking fund	<u>7,614</u>	<u>-</u>
Legal debt margin		<u>\$ 2,538,679</u>

See independent auditor's report.

**ATOKA COUNTY, OKLAHOMA**  
**RATIO OF NET GENERAL BONDED DEBT TO ASSESSED**  
**VALUE AND NET BONDED DEBT PER CAPITA**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2007**  
**(UNAUDITED)**

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	<u>2007</u>
Estimated population	<u>14,456</u>
Net assessed value as of January 1, 2006	<u>\$ 50,773,576</u>
Gross bonded debt	-
Less available sinking fund cash balance	<u>7,614</u>
Net bonded debt	<u>\$ -</u>
Ratio of net bonded debt to assessed value	<u>0.00%</u>
Net bonded debt per capita	<u>\$ -</u>

See independent auditor's report.

**ATOKA COUNTY, OKLAHOMA  
ASSESSED VALUE OF PROPERTY  
FOR THE FISCAL YEAR ENDED JUNE 30, 2007  
(UNAUDITED)**

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<u>Valuation Date</u>	<u>Personal</u>	<u>Public Service</u>	<u>Real Estate</u>	<u>Homestead Exemption</u>	<u>Net Value</u>	<u>Estimated Fair Market Value</u>
1/1/2006	\$7,140,652	\$15,925,567	\$31,259,309	\$3,551,952	\$50,773,576	\$421,479,495

See independent auditor's report.

## **FINANCIAL SECTION**



# STATE AUDITOR AND INSPECTOR

STEVE BURRAGE, CPA  
State Auditor

MICHELLE R. DAY, ESQ.  
Chief Deputy



2300 N. Lincoln Boulevard State Capitol, Room 100 Oklahoma City, OK 73105-4801 Phone (405) 521-3495 Fax (405) 521-3426 [www.sai.ok.gov](http://www.sai.ok.gov)

## Independent Auditor's Report

TO THE OFFICERS OF  
ATOKA COUNTY, OKLAHOMA

We have audited the combined totals—all funds of the accompanying Combined Statement of Receipts, Disbursements, and Changes in Cash Balances of Atoka County, Oklahoma, as of and for the year ended June 30, 2007, listed in the table of contents as the basic financial statement. This financial statement is the responsibility of Atoka County's management. Our responsibility is to express an opinion on this financial statement based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statement. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As described in Note 1, this financial statement was prepared using accounting practices prescribed or permitted by Oklahoma state law, which practices differ from accounting principles generally accepted in the United States of America. The effects on the financial statement of the variances between these regulatory accounting practices and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

In our opinion, because of the matter discussed in the preceding paragraph, the financial statement referred to above does not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of Atoka County as of June 30, 2007, or changes in its financial position for the year then ended.

In our opinion, the financial statement referred to above presents fairly, in all material respects, the combined total of receipts, disbursements, and changes in cash of Atoka County for the year ended June 30, 2007, on the basis of accounting described in Note 1.

In accordance with *Government Auditing Standards*, we have also issued our report dated February 8, 2010, on our consideration of Atoka County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Our audit was conducted for the purpose of forming an opinion on the combined total of all funds within the basic financial statement taken as a whole. The combining information is presented for purposes of additional analysis rather than to present the receipts, disbursements, and cash balances of the individual funds. Also, the other supplementary information, as listed in the table of contents, is presented for purposes of additional analysis, and is not a required part of the basic financial statement. Such supplementary information has been subjected to the auditing procedures applied in the audit of the basic financial statement and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statement taken as a whole. The information listed in the table of contents under Introductory Section has not been audited by us, and accordingly, we express no opinion on it.



STEVE BURRAGE, CPA  
STATE AUDITOR & INSPECTOR

February 8, 2010

## **Basic Financial Statement**

**ATOKA COUNTY, OKLAHOMA**  
**COMBINED STATEMENT OF RECEIPTS, DISBURSEMENTS, AND**  
**CHANGES IN CASH BALANCES**  
**(WITH COMBINING INFORMATION)**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2007**

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	Beginning Cash Balances July 1, 2006	Receipts Apportioned	Disbursements	Ending Cash Balances June 30, 2007
Combining Information:				
County General Fund	\$ 555,262	\$ 2,200,057	\$ 1,986,679	\$ 768,640
County Highway	782,812	2,785,375	2,399,111	1,169,076
County Health	70,885	209,633	213,284	67,234
Resale Property	5,408	57,621	57,676	5,353
County Sinking	2,102	5,512		7,614
Hospital	91,034	1,383,284	1,358,355	115,963
<b>Combined Total -- All County Funds</b>	<u>\$ 1,507,503</u>	<u>\$ 6,641,482</u>	<u>\$ 6,015,105</u>	<u>\$ 2,133,880</u>

The notes to the financial statement are an integral part of this statement.

**ATOKA COUNTY, OKLAHOMA  
NOTES TO THE FINANCIAL STATEMENT  
FOR THE FISCAL YEAR ENDED JUNE 30, 2007**

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**1. Summary of Significant Accounting Policies**

**A. Reporting Entity**

Counties were created by the Constitution of Oklahoma. One county officer is appointed; however, most county officers are locally elected by their constituents. All county powers are delegated by the state.

The accompanying basic financial statement presents the receipts, disbursements, and changes in cash balances of the total of all funds of Atoka County, Oklahoma. The funds presented as line items are not a part of the basic financial statement, but have been included as supplementary information within the basic financial statement. These separate funds are established by statute, and their operations are under the control of the County officials. The general fund is the County's general operating fund, accounting for all financial resources except those required to be accounted for in another fund. The other funds presented account for financial resources whose use is restricted for specified purposes.

**B. Fund Accounting**

The County uses funds to report on receipts, disbursements, and changes in cash balances. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities.

Following are descriptions of the funds included as supplementary information within the financial statement:

County General Fund - accounts for the general operations of the government.

County Highway - accounts for state, local and miscellaneous receipts and disbursements for the purpose of constructing and maintaining county roads and bridges.

County Health - accounts for monies collected on behalf of the county health department from ad valorem taxes and state and local revenues.

Resale Property - accounts for the collection of interest and penalties on delinquent taxes and the disposition of same as restricted by statute.

County Sinking – accounts for the payment of interest and principal on the matured portion of long-term bonded debt and civil judgments. Debt service receipts are derived generally from a special ad valorem tax levy and from interest earned on investments of cash not immediately required for debt service payments.

Hospital – accounts for the collection of sales tax revenue and the disbursement of funds as restricted by the sales tax resolution.

**ATOKA COUNTY, OKLAHOMA  
NOTES TO THE FINANCIAL STATEMENT  
FOR THE FISCAL YEAR ENDED JUNE 30, 2007**

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The County Treasurer collects and remits material amounts of intergovernmental revenues and ad valorem tax revenue for other budgetary entities, including emergency medical districts, county library, school districts and cities and towns. The cash receipts and disbursements attributable to those other entities do not appear in funds on the County's financial statement; those funds play no part in the County's operations. Any trust or agency funds maintained by the County are not included in this presentation.

**C. Basis of Accounting**

The basic financial statement is prepared on a basis of accounting wherein amounts are recognized when received or disbursed. This basis of accounting differs from accounting principles generally accepted in the United States of America, which require revenues to be recognized when they become available and measurable or when they are earned, and expenditures or expenses to be recognized when the related liabilities are incurred. This cash basis financial presentation is not a comprehensive measure of economic condition or changes therein.

**D. Budget**

Under current Oklahoma Statutes, a general fund and a county health department fund are the only funds required to adopt a formal budget. On or before the first Monday in July of each year, each officer or department head submits an estimate of needs to the governing body. The budget is approved for the respective fund by office, or department and object. The County Board of Commissioners may approve changes of appropriations within the fund by office or department and object. To increase or decrease the budget by fund requires approval by the County Excise Board.

For the highway funds and other funds, which are not required to adopt a formal budget, appropriations are made on a monthly basis, according to the funds then available.

**E. Cash**

The County pools the cash of its various funds in maintaining its bank accounts. However, cash applicable to a particular fund is readily identifiable on the County's books. The balance in the pooled cash accounts is available to meet current operating requirements.

State statutes require financial institutions with which the County maintains funds to deposit collateral securities to secure the County's deposits. The amount of collateral securities to be pledged is established by the County Treasurer; this amount must be at least the amount of the deposit to be secured, less the amount insured (by, for example, the FDIC).

**ATOKA COUNTY, OKLAHOMA  
NOTES TO THE FINANCIAL STATEMENT  
FOR THE FISCAL YEAR ENDED JUNE 30, 2007**

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**F. Investments**

The County Treasurer has been authorized by the County's governing board to make investments. By statute (62 O.S. § 348.1 and § 348.3), the following types of investments are allowed:

- U.S. Government obligations
- Certificates of deposit
- Savings accounts
- G.O. bonds issued by counties, municipalities or school districts
- Money judgments against counties, municipalities or school districts
- Bonds and revenue notes issued by a public trust when the beneficiary of the trust is a county, municipality or school district
- Negotiable certificates of deposit
- Prime bankers acceptance which are eligible for purchase by the Federal Reserve System
- Prime commercial paper with a maturity of 180 days or less
- Repurchase agreements
- Money market funds regulated by the Securities and Exchange Commission and which investments consist of the above-mentioned types of investments

All investments must be backed by the full faith and credit of the United States Government, the Oklahoma State Government, fully collateralized, or fully insured.

**G. Compensated Absences**

Vacation benefits are earned by the employee during the year and may be accumulated up to 20 days. Employees earn 10 days of annual leave per year. Upon separation, an employee will be paid for the balance of accrued annual leave up to the accumulation limit.

Sick leave benefits are accrued at the rate of 8 hours per month and employees may accumulate up to 30 days. Sick leave is not paid upon termination.

**2. Ad Valorem Tax**

The County's property tax is levied each October 1 on the assessed value listed as of January 1 of the same year for all real and personal property located in the County, except certain exempt property. Assessed values are established by the County Assessor within the prescribed guidelines established by the Oklahoma Tax Commission and the State Equalization Board. Title 68 O.S. § 2820.A. states, ". . . Each assessor shall thereafter maintain an active and systematic program of visual inspection on a continuous basis and shall establish an inspection schedule which will result in the individual visual inspection of all taxable property within the county at least once each four (4) years."

**ATOKA COUNTY, OKLAHOMA  
NOTES TO THE FINANCIAL STATEMENT  
FOR THE FISCAL YEAR ENDED JUNE 30, 2007**

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The assessed property value as of January 1, 2006, was approximately \$50,773,576.

The County levied 10.00 mills (the legal maximum) for general fund operations, 2.00 mills for county health department, 2.00 mills for city/county library, and 2.00 mills for emergency medical service. In addition, the County collects the ad valorem taxes assessed by cities and towns and school districts and remits the ad valorem taxes collected to the appropriate taxing units.

Taxes are due on November 1 following the levy date, although they may be paid in two equal installments. If the first half is paid prior to January 1, the second half is not delinquent until April 1. Unpaid real property taxes become a lien upon said property on October 1 of each year.

Unpaid delinquent personal property taxes are published usually in May. If the taxes are not paid within 30 days from publication, they shall be placed on the personal tax lien docket.

Current year tax collections for the year ended June 30, 2007, were approximately 88.35 percent of the tax levy.

**3. Fuel Tax**

The County receives major funding for roads and highways from a state imposed fuel tax. Taxes are collected by the Oklahoma Tax Commission. Taxes are imposed on all gasoline, diesel, and special fuel sales statewide. The County's share is determined on formulas based on the County population, road miles, and land area and is remitted to the County monthly. These funds are earmarked for roads and highways only and are accounted for in the county highway fund.

**4. Risk Management**

The County is exposed to the various risks of loss shown in the following table:

<b>Types of Loss</b>	<b>Method of Management</b>	<b>Risk of Loss Retained</b>
General Liability <ul style="list-style-type: none"><li>• Torts</li><li>• Errors and Omissions</li><li>• Law Enforcement Officers' Liability</li><li>• Vehicle</li></ul>	The County participates in a public entity risk pool: Association of County Commissioners of Oklahoma-Self-Insurance Group. (See ACCO-SIG.)	If claims exceed the authorized deductibles, the County could have to pay its share of any pool deficit. A judgment could be assessed for claims in excess of the pool's limits.
Physical Plant <ul style="list-style-type: none"><li>• Theft</li><li>• Damage to Assets</li><li>• Natural Disasters</li></ul>		



**ATOKA COUNTY, OKLAHOMA  
NOTES TO THE FINANCIAL STATEMENT  
FOR THE FISCAL YEAR ENDED JUNE 30, 2007**

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<b>Types of Loss</b>	<b>Method of Management</b>	<b>Risk of Loss Retained</b>
Workers' Compensation <ul style="list-style-type: none"> <li>• Employees' Injuries</li> </ul>	The County carries commercial insurance (See CompSource Oklahoma.)	None
Employee <ul style="list-style-type: none"> <li>• Medical</li> <li>• Disability</li> <li>• Dental</li> <li>• Life</li> </ul>	The County participates in the Oklahoma Public Employees Health and Welfare Plan. (See OPEH&WP.)	If claims exceed pool assets, the members would have surcharges assessed to pay the excess claims.

ACCO-SIG – The pool operates as a common risk management and insurance program and is to be self-sustaining through member premiums. Each participating member chooses a deductible amount (\$10,000, \$25,000, or \$50,000). The County has chosen a \$10,000 deductible for each insured event as stated in the County's "Certificate of Participation." The risk pool will pay legitimate claims in excess of the County's deductible amount. The pool has acquired specific excess insurance with retention limits of \$250,000 for property claims and \$500,000 for general liability claims. The pool has acquired reinsurance in the amount of \$2,000,000 for general liability and \$50,000,000 per occurrence for property to cover claims that exceed the pool's retention limits. If claims exceed pool assets, the County could be liable for its share of the pool's deficit. Settled claims have not exceeded insurance coverage for each of the past three fiscal years. There have been no significant reductions in coverage from the prior fiscal year.

CompSource Oklahoma - The workers' compensation program is fully insured through a third party (CompSource Oklahoma). The program pays all legitimate workers' compensation claims. Under the program, the County has no deductible and no liability for deficits. There have been no significant reductions in coverage from the prior fiscal year.

OPEH&WP - The County has entered into an interlocal agreement with other governmental entities to participate in a pooled self-insurance fund to provide insurance coverage. The pool provides for surcharges to be assessed for claims in excess of pool assets to offset pool deficits. Settled claims have not exceeded insurance coverage for each of the past three fiscal years. There have been no significant reductions in coverage from the prior fiscal year.

**ATOKA COUNTY, OKLAHOMA  
NOTES TO THE FINANCIAL STATEMENT  
FOR THE FISCAL YEAR ENDED JUNE 30, 2007**

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**5. Long-term Obligations**

**Capital Leases**

The County acquires road machinery and equipment through lease-purchase agreements financed by the Oklahoma Department of Transportation and/or the equipment vendors or their assignees pursuant to the provisions of 69 O.S. § 636.1 through § 636.7. Lease agreements entered into with the Oklahoma Department of Transportation (ODOT) are interest free, but have a one-time fee of 3% on all pieces of machinery acquired.

**6. Pension Plan**

Plan Description. The County contributes to the Oklahoma Public Employees Retirement Plan (the Plan), a cost-sharing, multiple-employer defined benefit pension plan administered by the Oklahoma Public Employees Retirement System (OPERS). Benefit provisions are established and amended by the Oklahoma Legislature. The Plan provides retirement, disability, and death benefits to Plan members and beneficiaries. Title 74, Sections 901 through 943, as amended, establishes the provisions of the Plan. OPERS issues a publicly available financial report that includes financial statements and supplementary information. That report may be obtained by writing OPERS, P.O. Box 53007, Oklahoma City, Oklahoma 73105 or by calling 1-800-733-9008.

Funding Policy. The contribution rates for each member category are established by the Oklahoma Legislature and are based on an actuarial calculation which is performed to determine the adequacy of contribution rates. County employees are required to contribute between 3.5% and 8.5% of earned compensation. The County contributes between 7.5% and 12.5% of earned compensation. Elected officials could contribute between 4.5% and 10% of their entire compensation. The County contributes 12.5% of earned compensation for elected officials. The County's contributions to the Plan for the years ending June 30, 2007, 2006, and 2005, were \$182,087, \$161,418, and \$141,639, respectively, equal to the required contributions for each year.

**7. Other Post Employment Benefits (OPEB)**

In addition to the pension benefits described in the Pension Plan note, OPERS provides post-retirement health care benefits of up to \$105 each for retirees who are members of an eligible group plan. These benefits are funded on a pay-as-you-go basis as part of the overall retirement benefit. OPEB expenditure and participant information is available for the state as a whole; however, information specific to the County is not available nor can it be reasonably estimated.

**ATOKA COUNTY, OKLAHOMA  
NOTES TO THE FINANCIAL STATEMENT  
FOR THE FISCAL YEAR ENDED JUNE 30, 2007**

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**8. Contingent Liabilities**

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, primarily the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable fund. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time; although, the County expects such amounts, if any, to be immaterial.

As of the end of the fiscal year, there were no claims or judgments that would have a material adverse effect on the financial condition of the County; however, the outcome of any lawsuit would not be determinable.

**9. Sales Tax**

The voters of Atoka County passed a permanent one cent sales tax on March 26, 1985. All proceeds of the sales tax are designated for the purpose of the operation, maintenance, and improvement of the Atoka County Memorial Hospital and public acute healthcare purposes.

The voters of Atoka County passed a one-half cent sales tax on August 27, 2002. All proceeds of the sales tax are designated for the purpose of building and maintaining a new jail for Atoka County. The sales tax is to be collected for a period of five years.

The voters of Atoka County passed a one-half cent sales tax on December 12, 2006. All proceeds of the sales tax are designated for the purpose of purchasing equipment, services and supplies for all existing fire departments of Atoka County. The sales tax is to be collected for a period of five years.

## **OTHER SUPPLEMENTARY INFORMATION**

**ATOKA COUNTY, OKLAHOMA**  
**COMPARATIVE SCHEDULE OF RECEIPTS, EXPENDITURES, AND**  
**CHANGES IN CASH BALANCES—BUDGET AND ACTUAL—BUDGETARY BASIS—**  
**GENERAL FUND**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2007**

	General Fund			
	Original Budget	Final Budget	Actual	Variance
Beginning Cash Balances	\$ 555,262	\$ 555,262	\$ 555,262	\$ -
Less: Prior Year Outstanding Warrants	(117,740)	(117,740)	(117,691)	49
Less: Prior Year Encumbrances	(56,908)	(56,908)	(56,855)	53
Beginning Cash Balances, Budgetary Basis	380,614	380,614	380,716	102
Receipts:				
Ad Valorem Taxes	461,578	461,578	470,331	8,753
Sales Tax		784,791	803,719	18,928
Charges for Services	62,790	283,918	346,703	62,785
Intergovernmental Revenues	164,254	424,944	432,685	7,741
Miscellaneous Revenues	30,500	93,500	146,619	53,119
Total Receipts, Budgetary Basis	719,122	2,048,731	2,200,057	151,326
Expenditures:				
District Attorney - State	10,004	37,505	23,775	13,730
Total District Attorney - State	10,004	37,505	23,775	13,730
District Attorney - County	1,500	1,500	382	1,118
Total District Attorney - County	1,500	1,500	382	1,118
County Sheriff	163,096	350,082	315,192	34,890
Capital Outlay	5,000			
Total County Sheriff	168,096	350,082	315,192	34,890
County Treasurer	74,697	78,490	60,958	17,532
Capital Outlay	500	500		500
Total County Treasurer	75,197	78,990	60,958	18,032
OSU Extension	14,800	14,860	14,797	63
Total OSU Extension	14,800	14,860	14,797	63
County Clerk	156,863	235,112	160,059	75,053
Capital Outlay	500	500		500
Total County Clerk	157,363	235,612	160,059	75,553
Court Clerk	50,255	55,921	55,846	75
Capital Outlay	4,400			
Total Court Clerk	54,655	55,921	55,846	75
County Assessor	70,785	74,360	68,455	5,905
Capital Outlay	500	500		500
Total County Assessor	71,285	74,860	68,455	6,405

continued on next page

The accompanying notes to the other supplementary information are an integral part of this schedule.  
See independent auditor's report.

**ATOKA COUNTY, OKLAHOMA**  
**COMPARATIVE SCHEDULE OF RECEIPTS, EXPENDITURES, AND**  
**CHANGES IN CASH BALANCES—BUDGET AND ACTUAL—BUDGETARY BASIS—**  
**GENERAL FUND**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2007**

continued from previous page

	Original Budget	Final Budget	Actual	Variance
Revaluation of Real Property	84,967	95,409	83,287	12,122
Capital Outlay	4,000	4,000	3,770	230
Total Revaluation of Real Property	88,967	99,409	87,057	12,352
General Government	122,434	125,759	125,770	(11)
Capital Outlay	11,500	11,500		11,500
Total General Government	133,934	137,259	125,770	11,489
Excise-Equalization Board	12,282	12,222	10,303	1,919
Total Excise-Equalization Board	12,282	12,222	10,303	1,919
County Election Board	47,448	47,448	44,017	3,431
Capital Outlay		3,854	3,854	
Total County Election Board	47,448	51,302	47,871	3,431
Insurance	157,729	268,623	172,499	96,124
Total Insurance	157,729	268,623	172,499	96,124
Juvenile Transportation		1,555	1,555	
Total Juvenile Transportation	-	1,555	1,555	-
Atoka County Flood Plan	72	72		72
Total Atoka County Flood Plan	72	72	-	72
911	15,796	55,568	40,599	14,969
Total 911	15,796	55,568	40,599	14,969
Bently Fire Department		3,511	3,511	
Total Bently Fire Department	-	3,511	3,511	-
Ward Chapel Fire Department		8,200	8,200	
Total Ward Chapel Fire Department	-	8,200	8,200	-
Harmony Fire Department		15,869	15,869	
Total Harmony Fire Department	-	15,869	15,869	-
Sheriff Accounts	20,749	59,164	29,383	29,781
Total Sheriff Accounts	20,749	59,164	29,383	29,781
County Audit Budget	5,077	5,077	5,077	
Total County Audit Budget	5,077	5,077	5,077	-

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The accompanying notes to the other supplementary information are an integral part of this schedule.  
See independent auditor's report.

**ATOKA COUNTY, OKLAHOMA**  
**COMPARATIVE SCHEDULE OF RECEIPTS, EXPENDITURES, AND**  
**CHANGES IN CASH BALANCES—BUDGET AND ACTUAL—BUDGETARY BASIS—**  
**GENERAL FUND**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2007**

continued from previous page

	Original Budget	Final Budget	Actual	Variance
Daisy Fire Department		4,312	4,312	
Total Daisy Fire Department	-	4,312	4,312	-
County Free Fair Account	320	320		320
Total County Free Fair Account	320	320	-	320
Wardville Fire Department		1,099	1,099	
Total Wardville Fire Department	-	1,099	1,099	-
Hopewell Fire Department		7,200	7,200	
Total Hopewell Fire Department	-	7,200	7,200	-
Sales Tax - Fire Departments		111,985	54,004	57,981
Total Sales Tax - Fire Departments	-	111,985	54,004	57,981
Farris Community	200	200		200
Total Farris Community	200	200	-	200
Jail Sales Tax	64,262	737,068	625,757	111,311
Total Jail Sales Tax	64,262	737,068	625,757	111,311
Total Expenditures, Budgetary Basis	1,099,736	2,429,345	1,939,530	489,815
Excess of Receipts and Beginning Cash Balances Over Expenditures, Budgetary Basis	\$ -	\$ -	641,243	\$ 641,243
Reconciliation to Statement of Receipts, Disbursements, and Changes in Cash Balances				
Add: Current Year Encumbrances			12,771	
Add: Current Year Outstanding Warrants			114,626	
Ending Cash Balance			<u>\$ 768,640</u>	

The accompanying notes to the other supplementary information are an integral part of this schedule.  
See independent auditor's report.

**ATOKA COUNTY, OKLAHOMA**  
**COMPARATIVE SCHEDULE OF RECEIPTS, EXPENDITURES, AND**  
**CHANGES IN CASH BALANCES—BUDGET AND ACTUAL—BUDGETARY BASIS—**  
**COUNTY HEALTH DEPARTMENT FUND**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2007**

	County Health Department Fund			
	Original Budget	Final Budget	Actual	Variance
Beginning Cash Balances	\$ 70,885	\$ 70,885	\$ 70,885	\$ -
Less: Prior Year Outstanding Warrants	(8,634)	(8,634)	(8,634)	
Less: Prior Year Encumbrances	(6,134)	(6,134)	(12,503)	(6,369)
Beginning Cash Balances, Budgetary Basis	56,117	56,117	49,748	(6,369)
Receipts:				
Ad Valorem Taxes	92,316	92,316	94,066	1,750
Charges for Services	1,717	113,982	112,265	(1,717)
Intergovernmental			2,132	2,132
Miscellaneous Revenues		2,656	1,170	(1,486)
Total Receipts, Budgetary Basis	94,033	208,954	209,633	679
Expenditures:				
Health and Welfare	138,650	254,571	219,539	35,032
Capital Outlay	11,500	10,500	251	10,249
Total Expenditures, Budgetary Basis	150,150	265,071	219,790	45,281
Excess of Receipts and Beginning Cash Balances Over Expenditures, Budgetary Basis	\$ -	\$ -	39,591	\$ 39,591
Reconciliation to Statement of Receipts, Disbursements, and Changes in Cash Balances				
Add: Current Year Encumbrances			15,437	
Add: Current Year Outstanding Warrants			12,206	
Ending Cash Balance			\$ 67,234	

The accompanying notes to the other supplementary information are an integral part of this schedule.  
See independent auditor's report.



**ATOKA COUNTY, OKLAHOMA**  
**DETAILED SCHEDULE OF RECEIPTS, DISBURSEMENTS,**  
**AND CHANGES IN CASH BALANCES—SINKING FUND**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2007**

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Beginning Cash Balance	<u>\$ 2,102</u>
Receipts:	
Ad Valorem Tax	<u>5,512</u>
Total Receipts	<u>5,512</u>
Disbursements:	
Total Disbursements	<u>-</u>
Ending Cash Balance	<u><u>\$ 7,614</u></u>

The accompanying notes to the other supplementary information are an integral part of this schedule.  
See independent auditor's report.

**ATOKA COUNTY, OKLAHOMA**  
**NOTES TO OTHER SUPPLEMENTARY INFORMATION**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2007**

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**1. Budgetary Schedules**

The Comparative Schedules of Receipts, Expenditures, and Changes in Cash Balances—Budget and Actual—Budgetary Basis for the General Fund and the County Health Department Fund present comparisons of the legally adopted budget with actual data. The "actual" data, as presented in the comparison of budget and actual, will differ from the data as presented in the Combined Statement of Receipts, Disbursements, and Changes in Cash Balances with Combining Information because of adopting certain aspects of the budgetary basis of accounting and the adjusting of encumbrances and outstanding warrants to their related budget year.

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is employed as an extension of formal budgetary integration in these funds. At the end of the year, unencumbered appropriations lapse.

**2. Sinking Fund Schedule**

Debt service receipts are derived generally from a special ad valorem tax levy and from interest earned on investments of cash not immediately required for debt service payments.

## **INTERNAL CONTROL AND COMPLIANCE SECTION**

# STATE AUDITOR AND INSPECTOR

STEVE BURRAGE, CPA  
State Auditor

MICHELLE R. DAY, ESQ.  
Chief Deputy



2300 N. Lincoln Boulevard State Capitol, Room 100 Oklahoma City, OK 73105-4801 Phone (405) 521-3495 Fax (405) 521-3426 [www.sai.ok.gov](http://www.sai.ok.gov)

## **Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards***

TO THE OFFICERS OF  
ATOKA COUNTY, OKLAHOMA

We have audited the combined totals—all funds of the accompanying Combined Statement of Receipts, Disbursements, and Changes in Cash Balances of Atoka County, Oklahoma, as of and for the year ended June 30, 2007, which comprises Atoka County's basic financial statement, prepared using accounting practices prescribed or permitted by Oklahoma state law, and have issued our report thereon dated February 8, 2010. Our report on the basic financial statement was adverse because the statement is not a presentation in conformity with accounting principles generally accepted in the United States of America. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

### Internal Control Over Financial Reporting

In planning and performing our audit, we considered Atoka County's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statement, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over financial reporting.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses. However, as discussed below, we identified certain deficiencies in internal control over financial reporting that we consider to be significant deficiencies.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the entity's financial statements that is more than inconsequential will not be prevented or detected by the entity's internal control. We consider the deficiencies 2007-1, 2007-2, 2007-3, 2007-4, 2007-5, and 2007-6 described in the accompanying schedule of findings and responses to be significant deficiencies in internal control over financial reporting.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the entity's internal control.

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in the internal control that might be significant deficiencies and, accordingly, would not necessarily disclose all significant deficiencies that are also considered to be material weaknesses. However, of the significant deficiencies described above, we consider items 2007-1 and 2007-5 to be material weaknesses.

#### Compliance and Other Matters

As part of obtaining reasonable assurance about whether Atoka County's financial statement is free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*, which are described in the accompanying schedule of findings and responses as items 2007-7, 2007-8, 2007-9, 2007-11, 2007-12, 2007-14, and 2007-16.

We also noted certain matters that we reported to the management of Atoka County, which are included in Section 2 of the schedule of findings and responses contained in this report.

Atoka County's response to the findings identified in our audit are described in the accompanying schedule of findings and responses. We did not audit Atoka County's response and, accordingly, we express no opinion on it.

This report is intended solely for the information and use 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.



STEVE BURRAGE, CPA  
STATE AUDITOR & INSPECTOR

February 8, 2010

**ATOKA COUNTY, OKLAHOMA  
SCHEDULE OF FINDINGS AND RESPONSES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2007**

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**SECTION 1—Findings related to the Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With *Government Auditing Standards***

**Finding 2007-1 - Segregation of Duties (Repeat Finding)**

Criteria: Accountability and stewardship are overall goals of management in accounting of funds. To help ensure a proper accounting of funds, the duties of receiving, receipting, recording, depositing cash and checks, reconciliations, and transaction authorization should be segregated.

Condition: The Treasurer's office has two full-time employees. The Treasurer and all employees issue receipts from the same cash drawer. No log is maintained of payments received through the mail and all employees receipt mail-in payments. There is no review or approval of these functions other than the employee performing the task.

The County Clerk's office has four full-time employees. The Clerk and all employees issue receipts from the same cash drawer. One of these deputies prepares and makes the deposit. There is no review or approval of these functions other than the employee performing the task.

The County Sheriff's office has multiple jailers and dispatchers as well as a full-time secretary. The secretary, jailers, and dispatchers all issue receipts. There is no reconciliation of receipts to the deposit. The secretary prepares the deposits. There is no review or approval of these functions other than the employee performing the task.

The County Assessor's office has five full-time employees. The Assessor and all deputies issue receipts and use the same cash drawer. One employee delivers collections to the Treasurer's office and obtains a Treasurer's miscellaneous receipt for the deposit. There is no review or approval of these functions other than the employee performing the task.

The County Election Board office has one full-time employee. The Election Board Secretary and the deputy issues receipts and prepare the deposit. There is no review or approval of these functions other than the employee performing the task.

Effect: This condition could result in unrecorded transactions, misstated financial reports, undetected errors, or misappropriation of funds.

Recommendation: OSAI recommends management be aware of these conditions and realize that concentration of duties and responsibilities in a limited number of individuals is not desired from a control point of view. The most effective controls lie in management's overseeing of office operations and a periodic review of operations. OSAI recommends management establish separate cash drawers for each employee that receipts monies. The cash drawers should be closed out and reconciled to the employee's daily receipts and be approved by someone independent of the cash drawer. All payments received through the mail should be logged by someone independent of preparing the receipts.

**ATOKA COUNTY, OKLAHOMA  
SCHEDULE OF FINDINGS AND RESPONSES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2007**

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Views of responsible officials and planned corrective actions: We concur with the State Auditor's findings. Management does have knowledge of office operations and will perform a periodic review of these operations.

**Finding 2007-2 – Commissioners' Signature Stamps**

Criteria: Effective internal controls include the safeguarding of signature stamps from unauthorized use.

Title 62 O.S. § 602 states:

Any authorized officer, after filing with the Secretary of State his manual signature certified by him under oath, may execute or cause to be executed with a facsimile signature in lieu of his manual signature any public security, or any certificate thereon or thereto. Upon compliance with this act by the authorized officer, his facsimile signature has the same legal effect as his manual signature.

Condition: While performing a walk-through of internal controls, it was noted that the County Clerk and Commissioners were using signature stamps. The County Clerk and Commissioners' signature stamps were not filed with the Secretary of State with their manual signatures. The Commissioners' secretary maintains possession of the Commissioners' signature stamps.

Effect: This condition could result in improperly authorized transactions and an increased risk of improprieties.

Recommendation: OSAI recommends that all County officers using some method of reproducing the signatures such as a stamp, engraving or imprinting a facsimile be filed with the Secretary of State along with the manual signature.

Views of responsible officials and planned corrective actions: We concur with the State Auditor's findings. We will take steps to complete appropriate forms and file them with the Secretary of State.

**Finding 2007-3 – Timesheets and Accumulated Leave Balances (Repeat Finding)**

Criteria: Effective internal controls include timesheets being prepared, reviewed for accuracy, and filed with the payroll department prior to payroll checks being issued. The County's Personnel Policy Handbook and the Fair Labor Standards Act require that employees keep accurate records of actual time worked by employees, including sick, vacation, and compensatory time earned, taken, or paid.

Condition: The County Treasurer and the Election Board Secretary do not require employees to prepare timesheets and records which reflect accumulated leave balances.

Effect: This condition could result in inaccurate records or incomplete information, violation of the Fair Labor Standards Act, as well as a possible liability to the County.

**ATOKA COUNTY, OKLAHOMA  
SCHEDULE OF FINDINGS AND RESPONSES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2007**

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Recommendation: OSAI recommends that all employees prepare timesheets with information of time worked, any leave taken during the month, overtime worked, and accumulated leave balances in order to comply with the County's Personnel Policy Handbook and the Fair Labor Standards Act.

Views of responsible officials and planned corrective actions: We concur with the State Auditor's findings. We will implement procedures for the accountability of employee time records.

**Finding 2007-4 – Overpayment of Wages**

Criteria: Safeguarding controls are an aspect of internal control. Safeguarding controls relate to the prevention or timely detection of unauthorized transactions and unauthorized access to assets. Failure to perform tasks that are part of internal controls, such as documenting and verifying payroll, are deficiencies in internal control.

Condition: One Sheriff's employee was terminated and his final payroll warrant was in excess of amount owed; this resulted in an overpayment of \$1,359.44. The termination date was not finalized with the County Clerk prior to the issuance of payroll and the employee did not have enough annual leave to cover the overpayment of wages. Also, timesheets for one employee could not be located for the period of February 2007 through June 2007, and the timesheets on file were not always approved by a supervisor.

Effect: This condition could result in misstated financial reports and misappropriation of assets.

Recommendation: OSAI recommends the County Clerk review all final payroll payments to terminated employees to verify final payments are accurate and properly supported with time records.

Views of responsible officials and planned corrective actions: We concur with the State Auditor's findings. We will implement procedures to help prevent a reoccurrence of this nature.

**Finding 2007-5 – Internal Control Regarding Sheriff's Collections and Citations**

Criteria: Effective accounting procedures and internal controls are necessary to ensure stewardship and accountability of assets. Safeguarding controls are an aspect of internal controls. Safeguarding controls relate to the prevention or timely detection of unauthorized transactions and unauthorized access to assets. Failure to perform tasks that are part of internal controls, such as reconciliations not performed or not timely prepared, are deficiencies in internal control. Further, reconciliations should be performed on a monthly basis.

Effective internal controls should provide for procedures wherein receipts for the monies collected are maintained and available for inspection and deposits are made in a timely manner.



**ATOKA COUNTY, OKLAHOMA  
SCHEDULE OF FINDINGS AND RESPONSES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2007**

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Effective internal controls include traffic citations be issued in triplicate form and that a control log be kept of all traffic citation books issued to employees for the Sheriff's office. Also, all records related to the Sheriff's office issued citations should be accounted for by properly voiding citations, remitting active citations to the Court Clerk's office, and maintaining all carbon copies of citations.

Title 19 O.S. § 180.43.D states in part:

Any funds received pursuant to said operations shall be the funds of the county where the persons are incarcerated and shall be deposited in the Sheriff's Commissary Account. The sheriff shall be permitted to expend the funds to improve or provide jail services. The sheriff shall be permitted to expend any surplus in the Sheriff's Commissary Account for administering expenses for training equipment, travel or for capital expenditures. The claims for expenses shall be filed with and allowed by the board of county commissioners in the same manner as other claims. The sheriff shall receive no compensation for the operation of said commissary. The sheriff shall file an annual report on any said commissary under his or her operation no later than January 15 of each year.

Title 19 O.S. § 531.A states in part:

The county sheriff may establish a checking account, to be designated the "Inmate Trust Fund Checking Account". 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.

Title 19 O.S. § 531.C states:

Banking fees on the account may be paid out of the Sheriff Commissary Account or the County Sheriff's Service Fee Cash Fund.

Title 19 O.S. § 682 states:

It shall be the duty of each and every county officer, county board, county commission and all members and employees of either thereof, to deposit daily in the official depository designated in Section 681 of this title, all monies, checks, drafts, orders, vouchers, funds, rentals, penalties, costs, proceeds of sale of property, fees, fines, forfeitures and public charges of every kind received or collected by virtue or under color of office...

Condition: As part of our financial statement audit, we tested receipts, deposits, and traffic citations in the Sheriff's Department. We identified several areas of concern which include:

**ATOKA COUNTY, OKLAHOMA  
SCHEDULE OF FINDINGS AND RESPONSES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2007**

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❖ Inmate Trust Funds:

- The Sheriff's Office is operating a cash based inmate trust account, located at the dispatch office. Cash is received for inmates and is added to the plastic bag that also contains the money the inmate was booked in with and personal possessions. Inmates use this money to purchase phone cards from the Sheriff's Office and purchase medications from a local pharmacy. The Sheriff's Office does not issue a receipt for cash received for inmates. Only a ledger sheet is maintained in the inmate's file to reflect the transactions made, and the inmate is required to sign the ledger sheet for each transaction.

❖ Sheriff's Official Depository Account:

- Generic receipts were being used.
- Sheriff's Office did not make daily deposits
- Receipts were not issued for all monies received.
  - Four of nine deposits were made in excess of receipts issued
- All monies receipted are not deposited
  - Two of nine deposits were short cash received
  - One of nine deposits was short cash but long on checks received
  - A money order was found in an old receipt book that had never been deposited.

Cash Composition was performed for the following deposit days:

Deposit Day	Variance	Variance Due to
12/4/06	(32.00)	Cash short
12/5/06	105.00	Cash long
12/11/06	(40.00)	Cash short
12/12/06	164.14	Checks long
12/18/06	(13.26)	Cash short (\$70), checks long \$ 83.26
12/20/06	20.00	Cash long
12/22/06	0.00	
12/27/06	0.00	
1/2/07	10.00	Cash long
TOTAL	\$213.88	

❖ Sheriff's Traffic Citations:

- The audit copy of all issued citations could not be located.

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❖ Sheriff's Fuel Log:

- The Sheriff's Office is maintaining fuel logs that reflect fuel usage by meter pump and what they are putting in the tank from receiving reports. However, a balance of fuel is not maintained that can be reconciled to a physical measurement.

Effect: This condition could result in errors and improprieties, unrecorded transactions, or misappropriation of assets.

Recommendation:

- ❖ Regarding Inmate Trust Funds and Sheriff Commissary Fund: OSAI recommends that the Sheriff maintain inmate trust fund monies in a manner that reflects each inmate's trust deposits, disbursements, and account balances. The inmate's trust fund balances should be reconciled to the bank statements each month, collections of inmate monies should be deposited daily, and no operating expenditures should be made from this fund. The Sheriff should file a report of the commissary with the County Commissioners by January 15 of each year.
- ❖ Regarding Sheriff's Official Depository: OSAI recommends that duplicate, pre-numbered receipts denoting "Atoka County Sheriff's Office" be issued for all monies received in the Sheriff's Office. Receipts should be issued only once, in sequential order, and should indicate mode of payment received. Also, collections should be deposited daily and original copies of voided receipts should be retained.
- ❖ Regarding Traffic Citations: OSAI recommends that the Atoka County Sheriff's Office submit one copy of traffic citations to the Court Clerk, assure that all carbon copies of the citations are maintained by the Sheriff's Office for audit purposes, and that citations be properly voided with the originals attached to the carbon copies left in the book.
- ❖ Regarding Sheriff's Fuel Log: OSAI recommends that fuel logs be maintained in a manner that can be reconciled to physical measurements of fuel.

Views of responsible officials and planned corrective actions: We concur with the State Auditor's findings. We will implement procedures to strengthen internal controls over the receipting and depositing process, the issuing of traffic citations, and the accounting of fuel records.

**Finding 2007-6 – County Clerk Resale Ledger**

Criteria: Effective accounting procedures are necessary to ensure stewardship and accountability of public funds. Good internal controls and basic bookkeeping practices require ledgers to be maintained in a complete manner with all pertinent information. The County Clerk's Cash Voucher Register, which is a

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record of all vouchers issued, should contain the following information: voucher number, voucher date, name of person to whom voucher is payable, voucher amount, and date voucher was picked up at the bank by the County. This ledger should be reconciled to the Treasurer's General Ledger monthly.

Condition: The County Clerks Resale Ledger was incomplete. The ledger is handwritten and some dates are not completed. Voucher number 189 was listed but did not reflect the amount of the voucher. The ledger was not totaled and was not reconciled to the County Treasurer's general ledger during the fiscal year.

Effect: This could result in unrecorded transactions, misstated financial reports, and undetected errors.

Recommendation: OSAI recommends that the County Clerk maintain a cash voucher ledger in detail that is reconciled with the Treasurer's general ledger.

Views of responsible officials and planned corrective actions: We concur with the State Auditor's findings. We will implement procedures to prepare a complete cash voucher ledger.

**Finding 2007-7 – Pledged Securities**

Criteria: Title 62 O.S. § 517.4.A states:

A treasurer of a public entity shall require that financial institutions deposit collateral securities or instruments to secure the deposits of the public entity in each such institution. The amount of collateral securities or instruments to be pledged for the security of public deposits shall be established by the treasurer of the public entity consistent with the provisions of the Security for Local Public Deposits Act; provided, such amount shall not be less than the amount of the deposit to be secured, less the amount insured.

Condition: The County's bank account balances and investments were under-pledged in the amount of \$613,336.95 as of December 29, 2006.

Effect: This condition could result in loss of county funds.

Recommendation: OSAI recommends the County Treasurer monitor county pledges routinely to ensure that deposits are adequately secured.

Views of responsible officials and planned corrective actions: We concur with the State Auditor's findings. We are taking measures to comply with the state statutes regarding pledged securities.

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**Finding 2007-8 – General Fund Expenditures Exceeded Appropriations**

Criteria: Title 62 O.S. § 310.2 states:

No purchase order shall be paid until approved by the officer, board or commission having charge of the office or department for which the appropriation is available and from which such payment is proposed to be made, provided that no indebtedness for any purpose shall be incurred in excess of the appropriation for that purpose...

Condition: The General Fund Account for the General Government M & O exceeded appropriations in the amount of \$11.00.

Effect: This condition results in unappropriated expenditures.

Recommendation: OSAI recommends the County follow procedures to ensure indebtedness is not incurred in excess of budgeted appropriations.

Views of responsible officials and planned corrective actions: We concur with the State Auditor's findings. We will implement procedures to help prevent a reoccurrence of this nature.

**Finding 2007-9 – Violation of Open Meeting Laws**

Criteria: Title 25 O.S. § 303 states:

All meetings of public bodies, as defined hereinafter, shall be held at specified times and places which are convenient to the public and shall be open to the public, except as hereinafter specifically provided. All meetings of such public bodies, except for executive sessions of the State Banking Board and Oklahoma Savings and Loan Board, shall be preceded by advance public notice specifying the time and place of each such meeting to be convened as well as the subject matter or matters to be considered at such meeting, as hereinafter provided.

Title 25 O.S. § 312.A states:

The proceedings of a public body shall be kept by a person so designated by such public body in the form of written minutes which shall be an official summary of the proceedings showing clearly those members present and absent, all matters considered by the public body, and all actions taken by such public body. The minutes of each meeting shall be open to public inspection and shall reflect the manner and time of notice required by this act.

Condition: By a resolution signed by the Board of County Commissioners, it was noted that the County officials' in-county travel was dissolved and the salaries of all officials were raised in the amount of \$600. However, the resolution was not listed on any agenda, nor was it approved by the Board of County Commissioners in an open meeting.

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Effect: Because the resolution was not part of an agenda and not openly approved, the County was in violation of the Oklahoma Open Meetings Act.

Recommendation: OSAI recommends that the Board of County Commissioners strictly adhere to the Open Meeting laws.

Views of responsible officials and planned corrective actions: We concur with the State Auditor's findings. We will implement procedures to help prevent a reoccurrence of this nature.

**Finding 2007-11 – Hospital Sales Tax Revenues**

Criteria: Title 68 O.S. § 1370.C states in part:

The proceeds of any sales tax levied by a county shall be deposited in the general revenue or sales tax revolving fund of the county and shall be used only for the purpose for which such sales tax was designated.

Title 68 O.S. § 1370.I states in part:

There are hereby created one or more county sales tax revolving funds in each county which levies a sales tax under this section if any or all of the proceeds of such tax are not to be deposited in the general revenue fund of the county. Each such revolving fund shall be designated for a particular purpose and shall consist of all monies generated by such sales tax which are designated for such purpose. Monies in such funds shall only be expended for the purpose specifically designated as required by this section.

Condition: The Hospital Sales Tax Account monies were disbursed on remittance warrants.

Effect: This condition could result in misstated financial reports by not properly recording and classifying disbursements.

Recommendation: OSAI recommends that the Hospital Sales Tax Fund be set up as a cash fund and that monies be disbursed by purchase orders.

Views of responsible officials and planned corrective actions: We concur with the State Auditor's findings. We will implement procedures to expend the hospital sales tax through the County's purchasing process.

**Finding 2007-12 – Purchasing**

Criteria: Title 19 O.S. § 1505 prescribes the procedures for requisition, purchase and receipt of supplies, material and equipment.

Condition: While performing a test of purchase orders, the following exceptions were noted:

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- ❖ One out of sixty-seven P.O.'s tested was not charged to the proper fund or account.
- ❖ Two out of sixty-seven P.O.'s tested were not reviewed.
- ❖ Seven out of sixty-seven P.O.'s tested were not encumbered properly.
- ❖ Three out of sixty-seven P.O.'s tested did not contain proper documentation.

Account District	Purpose	PO #	PO Date	Warrant / Voucher #	Warrant / Voucher Date	Warrant / Voucher Amount
Purchase was not charged to the proper fund and account						
BOCC / District #2	Lunches for Inmate Crew	118	7/13/2006	102	7/17/2006	\$4.44
The claim was not reviewed						
Assessor / Rev.-2	Plat Sheets & Business Cards	1452	11/9/2006	953	12/4/2006	\$171.30
Co. Health / MD-2	Electrical Work & Repair	3114	4/16/2007	329	5/21/2007	\$160.00
Encumbrance was not made prior to ordering or receiving the goods						
District 2	5 Windows for Lane Community Bldg.	2042	1/9/2007	1641	1/22/2007	\$743.15
District 2	Used 16 " Tires	3920	6/12/2006	3298	6/19/2006	\$200.00
District 3	Reimb. Mileage & Meals /To View Equip.	4178	6/29/2006	3473	7/3/2006	\$180.35
District 3	Tin-Horns	4069	6/21/2006	3366	6/26/2006	\$8,464.00
Sheriff / B-6	Coffee & Tea	2625	3/2/2007	1572	3/5/2007	\$183.80
Sheriff / B-6	Lease Cost per Copy for Nov.	2128	1/18/2007	1298	1/22/2007	\$112.04
BOCC / District #2	Lunches for Inmate Crew	118	7/13/2006	102	7/17/2006	\$4.44
Proper documentation is not attached to purchase order/claim						
Assessor / Rev.-2	Plat Sheets & Business Cards	1452	11/9/2006	953	12/4/2006	\$171.30
Co. Health / MD-2	Electrical Work & Repair	3114	4/16/2007	329	5/21/2007	\$160.00
BOCC / District 2	Lunches for Inmate Crew	118	7/13/2006	102	7/17/2006	\$4.44

Effect: This condition could result in misstated financial reports, undetected errors, and misappropriation of funds.

Recommendation: OSAI recommends that the County adhere to state statutes regarding purchasing.

Views of responsible officials and planned corrective actions: We concur with the State Auditor's findings. We will implement procedures to comply with state statutes.

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**Finding 2007-14 – County Bids**

Criteria: Title 19 O.S. § 1505.B.4 states:

The board of county commissioners, in an open meeting, shall open the sealed bids and compare them to the state contract price. The board of county commissioners shall select the lowest and best bid based upon the availability of material and transportation cost to the job site within thirty (30) days of the meeting. For any special item not included on the list of commonly used items, the requisitioning official shall review the bids and submit a written recommendation to the board before final approval. The board of county commissioners shall keep a written record of the meeting as required by law, and any time the lowest bid was not considered to be the lowest and best bid, the reason for such conclusion shall be recorded. Whenever the board of county commissioners rejects the written recommendation of the requisitioning official pertaining to a special item, the reasons for the rejection shall be entered in their minutes and stated in a letter to the requisitioning official and county purchasing agent;

Condition: While testing county six-month bids, it was noted that whenever the County receives the bid:

- The bid packets are not opened until the County purchases items from the vendor. Some bid packets are never opened.
- No reason was recorded as to why the lowest bid was not accepted for one bid.

Effect: This could result in misappropriation of county funds and circumvents purchasing procedure statutes.

Recommendation: OSAI recommends that the Board of County Commissioners strictly adhere to the statutes regarding purchasing.

Views of responsible officials and planned corrective actions: We concur with the State Auditor's findings. We will implement procedures for the proper accounting of 6-month bids.

**Finding 2007-16 – District 2 Consumable Inventory**

Criteria: Title 19 O.S. § 1502 prescribes the procedures to be used to account for supplies and materials used in the construction and maintenance of roads and bridges.

Condition: District 2 is not maintaining consumable inventory cards or a separate inventory list.

Effect: This condition could result in misappropriation of county inventory.

Recommendation: OSAI recommends consumable records be updated to accurately reflect inventories on hand and these records be maintained perpetually.



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Views of responsible officials and planned corrective actions: We concur with the State Auditor's findings. We will implement procedures to account for consumable inventories.

**SECTION 2—This section contains certain matters not required to be reported in accordance with *Government Auditing Standards*. However, we believe these matters are significant enough to bring to management's attention. We recommend that management consider these matters and take appropriate corrective action.**

**Finding 2007-10 – Fringe Benefits**

Criteria: Title 19 O.S. § 165.A states:

In lieu of reimbursement for traveling expenses within their county each county commissioner and sheriff may receive a monthly travel allowance of Six Hundred Dollars (\$600.00). In lieu of the reimbursement for traveling expenses authorized by law for each county officer, each county assessor may receive a monthly travel allowance of Five Hundred Dollars (\$500.00), and each county clerk, court clerk and county treasurer may receive a monthly travel allowance of Four Hundred Dollars (\$400.00). Each such county officer may be subject to the penalty provided by Section 166 of this title for failure to attend the meetings specified in that section.

Title 19 O.S. § 180.43.B states in part:

In lieu of the travel reimbursement or monthly travel allowance provided for by law, the board of county commissioners may purchase and provide for the operation, maintenance, insurance, equipping, and repair of an automobile for each county commissioner to be used in performing the duties of his office. In lieu of the travel reimbursement or monthly travel allowance provided for by law, the board of county commissioners, with the concurrence of the county sheriff, may purchase and provide for the operation, maintenance, insurance, equipping, and repair of automobiles for the use of the sheriff in performing the duties of his office. Any automobile purchased pursuant to the authority granted in this section shall be purchased by competitive bids. The use of any said automobile for private or personal purposes is hereby prohibited. Any travel reimbursement other than in-county driving as provided for in this section shall be for actual and necessary expenses as provided for in the State Travel Reimbursement Act. Any person violating the provisions of this subsection, upon conviction, shall be guilty of a misdemeanor and shall be punished by a fine of not more than One Hundred Dollars (\$100.00) or by imprisonment in the county jail for not more than thirty (30) days, or by both said fine and imprisonment, and in addition thereto shall be discharged from county employment.

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The Internal Revenue Service (IRS) as quoted from Publication 15 Employer's Tax Guide states the following:

Fringe benefits. You generally must include fringe benefits in an employee's gross income (but see *Nontaxable fringe benefits* next). The benefits are subject to income tax withholding and employment taxes. Fringe benefits include cars that you provide, flights on aircraft that you provide, free or discounted commercial flights, vacations, discounts on property or services, memberships in country clubs or other social clubs, and tickets to entertainment or sporting events. In general, the amount that you must include is the amount by which the fair market value of the benefits is more than the sum of what the employee paid for it plus any amount that the law excludes. There are other special rules that you and your employees may use to value certain fringe benefits. See Publication 15-B for more information."

In addition, IRS Publication 15 Employer's Tax Guide states:

You may choose to treat certain noncash fringe benefits as paid by the pay period, by the quarter, or on any other basis that you choose as long as you treat the benefits as paid at least once a year. You do not have to make a formal choice of payment dates or notify the IRS of the dates that you choose. You do not have to make this choice for all employees. You may change methods as often as you like, as long as you treat all benefits provided in a calendar year as paid by December 31 of the calendar year. See Publication 15-B for more information, including a discussion of the special accounting rule for fringe benefits provided during November and December. Generally, you must determine the value of fringe benefits no later than January 31 of the next year. Before January 31, you may reasonably estimate the value of the fringe benefits for purposes of withholding and depositing on time. You may add the value of fringe benefits to regular wages for a payroll period and figure withholding taxes on the total, or you may withhold federal income tax on the value of the fringe benefits at the flat 25% supplemental wage rate. However, see Withholding on supplemental wages when an employee receives more than \$1,000,000 of supplemental wages during the calendar year in section 7. You may choose not to withhold income tax on the value of an employee's personal use of a vehicle that you provide. You must, however, withhold social security and Medicare taxes on the use of the vehicle. See Publication 15-B for more information on this election. Once you choose payment dates for fringe benefits (discussed above), you must deposit taxes in the same deposit period that you treat the fringe benefits as paid. To avoid a penalty, deposit the taxes following the general deposit rules for that deposit period.

Condition: It was determined during the audit that the following county employees are allowed to drive county vehicles to commute to work: janitor, commissioners' courthouse secretary, District 1, 2, and 3 foremen, and the District 2 barn secretary. This fringe benefit was not included on employees' W-2 forms, nor did the County withhold any payroll taxes for the fringe benefit. In addition, District 2 County Commissioner is driving a county-owned vehicle and also receiving a monthly travel allowance.

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Effect: This condition could result in misappropriation of funds, potential tax liability for the County, noncompliance with state statutes, and Internal Revenue Service regulations.

Recommendation: OSAI recommends that the County consult with the Internal Revenue Service and the District Attorney to ensure compliance with all applicable laws and regulations.

Views of responsible officials and planned corrective actions: We concur with the State Auditor's findings. We will consult with our legal counsel regarding these matters to determine appropriate action.

**Finding 2007-15 – Lease-Purchases**

Criteria: Title 19 O.S. § 1501.5 states in part:

Shall make lease or lease-purchase agreements for road machinery and equipment if the county has adequate funds appropriated during any fiscal year for such purpose and only after following the bidding procedures as provided for in Section 1505 of this title;

Title 19 O.S. § 1505.B.5 states in part:

The county purchasing agent may make purchases from the successful bidders.

Title 62 O.S. § 430.1(D) states:

Any agreement to lease and purchase real or personal property, where title is to be acquired by the municipal or governmental subdivision, shall state the purchase price of the real or personal property so leased and in no event shall the lease be extended so as to cause payment of more than the stated purchase price of the real or personal property plus interest not to exceed ten percent (10%) simple interest on the unpaid balance due as of each payment date. When the purchase price plus interest has been paid, the property shall belong to the lessee and the lessor shall deliver a bill of sale to the property to the lessee. Any lease-purchase agreement may include an option to purchase, transfer and acquire title during the term of the lease upon payment of the balance of the agreed purchase price, and each agreement shall include a provision to transfer title to the lessee at the end of the completed lease term for nominal or no additional consideration.

Condition: The following exceptions were noted while testing lease purchases:

- Atoka County accepted a bid from a vendor for five Komatsu motor graders with financing included. After the County had accepted the bid from the vendor, the County, not the vendor, obtained financing from a local bank. The lease purchase contract agreement listed the bank, not the vendor, as the lessor for the equipment.

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- Atoka County did not use SA&I form 120B when signing a lease purchase agreement with the bank for a 1999 Chevrolet Ext Cab pickup K-2500. This form contains a clause that allows the County to terminate the lease if sufficient funds are not appropriated for this purpose. The agreement signed by the County does not.

Effect: By not adhering to purchasing laws, the County became indebted without a vote of the people, and did not comply with the bid specifications which were for a lease-purchase with financing.

Recommendation: OSAI recommends the County comply with all terms of an accepted bid. OSAI recommends that the County finance with the vendor using SA&I form 120B, and not directly with the bank. If the vendor assigns the payments to a third party, a written notification of such assignment should be mailed to the County and kept in the form of a resolution by the governing board and recorded in their official proceedings. A copy of the notification of the assignment should be on file.

Views of responsible officials and planned corrective actions: We concur with the State Auditor's findings. We will implement procedures to acquire lease purchases in compliance with state statutes.

#### **Finding 2007-17 – General Fixed Assets Inventory**

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 part of lands and buildings, the cost of which as to each complete working unit thereof is more than Five Hundred (\$500.00), and thereafter 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 any office, board, department, commission or any or either thereof, and the disposition thereof whether sold, exchanged, leased or let where authorized by statute, junked, strayed or stolen, and biennially thereafter...

Condition: All offices do not perform a biennial verification of the fixed assets inventory.

Effect: Inventory items were not accurately accounted for and the County's inventories may not be safeguarded.

Recommendation: OSAI recommends equipment inventory information be periodically reviewed, reconciled, and updated to detect errors and to maintain an accurate inventory record.

Views of responsible officials and planned corrective actions: All Officers will work together to compile a complete listing of county inventory. We will also try to conduct a physical inventory of all items once every two years.



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