



BLAINE COUNTY
DISTRICT 3 TURNOVER

Statutory Report

December 28, 2022

Cindy Byrd, CPA
State Auditor & Inspector

**COUNTY OFFICER TURNOVER STATUTORY REPORT
RAYMOND SCHEFFLER
BLAINE COUNTY COMMISSIONER
DISTRICT 3
DECEMBER 28, 2022**

This publication, issued by the Oklahoma State Auditor and Inspector's Office as authorized by 19 O.S. § 171, has not been printed, but is available on the agency's website (www.sai.ok.gov) and in the Oklahoma Department of Libraries Publications Clearinghouse Digital Prairie Collection (<http://digitalprairie.ok.gov/cdm/search/collection/audits/>) pursuant to 65 O.S. § 3-114.



May 1, 2023

BOARD OF COUNTY COMMISSIONERS
BLAINE COUNTY COURTHOUSE
WATONGA, OKLAHOMA 73772

Transmitted herewith is the Blaine County Officer Turnover Statutory Report for December 28, 2022. 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



Raymond Scheffler
Blaine County Commissioner, District 3
Blaine County Courthouse
Watonga, Oklahoma 73772

For the purpose of complying with 19 O.S. § 171, we have performed the following procedures for December 28, 2022:

- 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 consumable items on hand agree with consumable inventory records maintained per 19 O.S. § 1502.
- Verify that machinery and equipment acquisitions, dispositions, and expenditures are in accordance with 19 O.S. § 333.
- Verify that the amount of total claims approved for the operation of said Office is not in excess of limitations imposed by 19 O.S. § 347.

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

January 18, 2023

**COUNTY OFFICER TURNOVER STATUTORY REPORT
 RAYMOND SCHEFFLER
 BLAINE COUNTY COMMISSIONER
 DECEMBER 28, 2022**

SCHEDULE OF FINDINGS AND RESPONSES

Finding 2023-001 – Lack of Internal Controls and Noncompliance Over Fixed Assets and Consumable Inventory

Condition: Upon inquiry and observation of District 3, a test of one hundred thirty (130) fixed assets, and a test of consumable inventories, the following weaknesses were noted:

- Although the District does use transfer tickets for consumable inventory records, a current consumable inventory record is not being maintained.
- The diesel and gas fuel logs are being maintained; however, the logs do not state a quantity held in the District and are not reconciled to physical measurement.
- Four (4) fixed assets listed on the asset inventory could not be located due to the items being removed from the District, but no resolutions for disposal were passed.

ID	DESCRIPTION	YEAR	SERIAL NUMBER	COST
D417-01	Generator 6000	2002	110199N-224405	\$2,195.00
D417-02	Generator 6000 6000	2002	110199N-225636	\$ 699.99
D417-03	Generator 6000 6000 WATT	2002	110199N-225599	\$ 699.99
D417-04	Generator 6000	2002	110199N-22407	\$ 699.99

Cause of Condition: Policies and procedures have not been adequately designed and implemented by management to ensure compliance with state statutes over of fixed assets as well as consumable inventories.

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 and consumable inventories.

Recommendation: The Oklahoma State Auditor & Inspector’s Office (OSAI) recommends management design and implement internal controls to ensure compliance with state statutes over fixed and consumable assets. These internal controls would include maintaining an accurate fixed asset and consumable inventory report, ensuring that all fixed asset items be surplus and disposed of in accordance with state statutes, and reconciling fuel on a monthly basis.

Management Response:

Outgoing County Commissioner: Management chose not to respond.

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

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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. § 421 states in part, "...within thirty (30) days after the 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..."

Title 19 O.S. § 1504(A) requires the receiving officer to maintain a record of all items received, disbursed, stored and consumed by the department.

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



Cindy Byrd, CPA | State Auditor & Inspector

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