

STATUTORY REPORT

# CHEROKEE COUNTY COMMISSIONER DISTRICT 3 TURNOVER

January 30, 2014



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



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

**COUNTY OFFICER TURNOVER STATUTORY REPORT  
MIKE BALLARD  
CHEROKEE COUNTY COMMISSIONER  
DISTRICT 3  
JANUARY 30, 2014**

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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](http://www.sai.ok.gov)) and in the Oklahoma Department of Libraries Publications Clearinghouse Digital Collection, pursuant to 74 O.S. § 3105.B.



# Oklahoma State Auditor & Inspector

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

May 13, 2014

BOARD OF COUNTY COMMISSIONERS  
CHEROKEE COUNTY COURTHOUSE  
TAHLEQUAH, OKLAHOMA 74464

Transmitted herewith is the Cherokee County Officer Turnover Statutory Report for January 30, 2014. 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 "Gary A. Jones".

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



# Oklahoma State Auditor & Inspector

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Mike Ballard  
Cherokee County Commissioner, District 3  
Cherokee County Courthouse  
Tahlequah, Oklahoma 74464

For the purpose of complying with 19 O.S. § 171, we have performed the following procedures for January 30, 2014:

- Verify that equipment items on hand agree with inventory records as per 19 O.S. § 178.1.
- Verify that consumable items on hand agree with consumable inventory records maintained per 19 O.S. § 1502.

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

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

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

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

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

February 3, 2014

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**CHEROKEE COUNTY COMMISSIONER**  
**DISTRICT 3**  
**JANURAY 30, 2014**

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**SCHEDULE OF FINDINGS AND RESPONSES**

**Finding 2014-01 – Fixed Assets Inventory**

**Condition:** During our review of fixed assets, it was determined that an inventory listing had been prepared and maintained by District 3 and filed with the County Clerk. While performing inventory verification, the following items could not be located.

<b>Item/Description</b>	<b>County Identification Number</b>	<b>Serial Number</b>
Concrete vibrator	310-0301	T126528
3” Water pump	420-0304	30933

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

**Effect of Condition:** This condition resulted in the loss of county assets.

**Recommendation:** The Oklahoma State Auditor and Inspector’s Office (OSAI) recommends that management implement controls to comply with 19 O.S. § 178.1. OSAI also recommends the district perform a review and reconciliation of fixed asset inventory on hand to fixed asset records, on an annual basis.

**Management Response:**

**County Commissioner District 3:** The pump and concrete vibrator were being used by the bridge crew in District 1, the pump wore out and parts were used on another pump. The concrete vibrator wore out; I was not notified whether it was to be taken off inventory.

**Auditor Response:** Disposition of any equipment shall be entered in the minutes of the Board of County Commissioners.

**Criteria:** Title 19 O.S. § 178.1 states, “The board of county commissioners in each county of this state shall take, or cause to be taken, an inventory of all working tools, apparatus, machinery and equipment belonging to the county or leased or otherwise let to it or to any department thereof, other than that which is affixed to and made a part of lands and buildings, the cost of which as to each complete working unit thereof is more than Five Hundred Dollars (\$500.00), and therefore maintain or cause to be maintained a continuous inventory record thereof and of like tools, apparatus, machinery and equipment purchased, leased, or otherwise coming into custody of the county or of any office, board, department, commission or any either thereof, and the disposition thereof

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whether sold, exchanged, leased, or let where authorized by statute, junked, strayed or stolen, and annually thereafter, or oftener in the event of death, resignation or removal of an elective officer with a term, to verify or cause to be verified by count and report of the same as of the end of a term of office.”

Title 19 O.S. § 178.3 (A) states, “The County Clerk shall be custodian and repository of all inventory records, files and reports.”

Title 19 O.S. § 421 states, “From and after the effective date of this act, each board of county commissioners of the several counties in the state shall within thirty (30) days after the disposition of any tools, apparatus, machinery, and equipment belonging to the county or leased or otherwise let to it or any department thereof, the original cost of which is more than Five Hundred Dollars (\$500.00), whether sold, exchanged, junked, leased or let where authorized by statute, shall enter, or cause to be entered, in the minutes of the proceedings of the board the fact of such disposition, including complete description of item, serial number, the date property was acquired, the name and address of the person or firm from whom property was acquired, the cost price at time of acquisition or contract price if acquired under lease-rental agreement, the date of disposition, the name and address of the person or firm to whom property transferred, the price received therefor and the reason for disposition.”



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