



# COAL COUNTY COMMISSIONER DISTRICT 3 TURNOVER

## Statutory Report

December 29, 2022

**Cindy Byrd, CPA**  
State Auditor & Inspector

**COUNTY OFFICER TURNOVER STATUTORY REPORT  
EARNEST “BUDDY” COTTRELL  
COAL COUNTY COMMISSIONER  
DISTRICT 3  
DECEMBER 29, 2022**

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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 Prairie Collection (<http://digitalprairie.ok.gov/cdm/search/collection/audits/>) pursuant to 65 O.S. § 3-114.



**OKLAHOMA**  
Office of the State Auditor & Inspector

Cindy Byrd, CPA | State Auditor & Inspector

2300 N. Lincoln Blvd., Room 123, Oklahoma City, OK 73105 | 405.521.3495 | [www.sai.ok.gov](http://www.sai.ok.gov)

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March 15, 2023

BOARD OF COUNTY COMMISSIONERS  
COAL COUNTY COURTHOUSE  
COALGATE, OKLAHOMA 74538

Transmitted herewith is the Coal County Officer Turnover Statutory Report for December 29, 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 black ink that reads "Lisa Hodges".

LISA HODGES, CFE, CGFM  
DEPUTY STATE AUDITOR & INSPECTOR



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Earnest "Buddy" Cottrell  
Coal County Commissioner, District 3  
Coal County Courthouse  
Coalgate, Oklahoma 74538

For the purpose of complying with 19 O.S. § 171, we have performed the following procedures for December 29, 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 "Lisa Hodges".

LISA HODGES, CFE, CGFM  
DEPUTY STATE AUDITOR & INSPECTOR

February 16, 2023

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

**Finding 2023-001 - Lack of Internal Controls and Noncompliance Over Consumable Inventories**

**Condition:** During the review of consumable inventories, we noted that County Commissioner District 3 does not maintain consumable inventory records.

**Cause of Condition:** Policies and procedures have not been designed and implemented in regard to consumable inventories.

**Effect of Condition:** This condition resulted in noncompliance with state statute and could result in misuse or loss of county property.

**Recommendation:** The Oklahoma State Auditor and Inspector (OSAI) recommends County Commissioner District 3 create and administer an inventory system for consumable items as in accordance with 19 O.S. § 1502.

**Management Response:**

**Outgoing District 3 County Commissioner:** A consumable inventory has been developed and is now being maintained by the employees of District 3.

**Criteria:** 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.

Additionally, The GAO Standards – Section 2 – Establishing an Effective Internal Control System – Objectives of an Entity - OV2.24 states in part:

*Compliance Objectives*

*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. § 1502 states in part, “A. 1. The board of county commissioners or a designated employee shall:

- a. prescribe a uniform identification system for all supplies, materials and equipment of a county used in the construction and maintenance of roads and bridges, and

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- b. create and administer an inventory system for all:
- (1) equipment of a county having an original cost of Two Thousand Five Hundred Dollars (\$2,500.00) or more for use in the construction and maintenance of roads and bridges, and
  - (2) supplies and materials of a county purchased in lots of Two Thousand Five Hundred Dollars (\$2,500.00) or more for use in the construction and maintenance of roads and bridges.”

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



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