

**COAL COUNTY
COMMISSIONER,
DISTRICT 1**

**COAL COUNTY,
OKLAHOMA**

**JANUARY 1, 2006 THROUGH
SEPTEMBER 30, 2009**

**SPECIAL
AUDIT**



Oklahoma State Auditor
& Inspector

COAL COUNTY COMMISSIONER, DISTRICT 1

COAL COUNTY, OKLAHOMA

SPECIAL AUDIT REPORT

JANUARY 1, 2006 THROUGH SEPTEMBER 30, 2009

This publication is printed and issued by the State Auditor and Inspector as authorized by 74 O.S. 2001, § 212(H) and 74 O.S. 2001, § 3105(B). Twenty-five (25) copies have been prepared and distributed at a cost of \$56.88. Copies have been deposited with the Publications Clearinghouse of the Oklahoma Department of Libraries.

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

October 20, 2010

The Honorable Chris Ross
District Attorney, District 22
P.O. Box 146
Ada, Oklahoma 74821

Transmitted herewith is the Special Audit Report of the Coal County Commissioner, District 1, Coal County, Oklahoma. We performed our special audit in accordance with the requirements of **74 O.S. 2001, § 212(H)**.

A report of this type tends to be critical in nature; however, failure to report commendable features in the present accounting and operating procedures of the entity should not be interpreted to mean they do not exist.

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

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

Sincerely,

A handwritten signature in blue ink that reads "Michelle R. Day".

MICHELLE R. DAY, ESQ.
DEPUTY STATE AUDITOR & INSPECTOR

**COAL COUNTY COMMISSIONER, DISTRICT 1
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OBJECTIVES

- I. OBJECTIVE:** To determine whether County Commissioner District 1 expenditures were appropriate.

**COAL COUNTY COMMISSIONER, DISTRICT 1
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Coal County Board of County Commissioners

Alvin Pebworth (D) Coalgate District 1
Johnny D. Ward (D) Coalgate..... District 2
Michael Hensley (D) Lehigh District 3
Tanya Mixon-Jenkins.....District 1 Barn Secretary/Receiving Officer

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Coal County Board of Commissioners
Coal County
5 West Clay Street
Coalgate, Oklahoma 74538-2844

Dear Members:

Pursuant to the District Attorney's request and in accordance with the requirements of **74 O.S. 2001, § 212(H)**, we performed a special audit with respect to the Coal County Commissioner District 1, Coal County, Oklahoma for the period January 1, 2006 through September 30, 2009.

The objectives of our special audit primarily included, but were not limited to, the index objectives noted in the table of contents. Our findings related to these procedures are presented in the accompanying report.

Because the above procedures do not constitute an audit in accordance with generally accepted auditing standards, we do not express an opinion on the account balances or financial statements of Coal County Commissioner, District 1 for the period January 1, 2006 through September 30, 2009. Further, due to the test nature and other inherent limitations of a special audit report, together with the inherent limitations of any internal control structure, there is an unavoidable risk that some material misstatements may remain undiscovered. This report relates only to the accounts and items specified above and do not extend to any financial statements of the County.

This report is intended solely for the information and use of the District Attorney, the Board of County Commissioners 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.

Sincerely,

A handwritten signature in blue ink that reads "Michelle R. Day".

MICHELLE R. DAY, ESQ.
DEPUTY STATE AUDITOR & INSPECTOR

October 20, 2010

COAL COUNTY COMMISSIONER, DISTRICT 1
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INTRODUCTION

The Board of County Commissioners is the chief administrative body for the County. County Commissioners are 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.

Each County Commissioner is responsible for the daily operation of their respective District.

Pursuant to the District Attorney's request, the Oklahoma State Auditor and Inspector (OSAI) conducted an audit of County Commissioner District 1. The results of the audit are in the following report.

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OBJECTIVE

To determine whether County Commissioner District 1 expenditures were appropriate.

GASOLINE PURCHASES

We examined all purchase orders and supporting documentation for Coal County Commissioner District 1 expenditures from January 1, 2006 through September 30, 2009, to determine if expenditures were for an appropriate County purpose. During our examination we noted fuel purchases made by Tonya Nixon/Jenkins, the secretary for District 1, that did not have proper supporting documentation attached. These purchases included one-hundred fourteen (114) invoices for the amount of \$6,399.72 with no vehicle number assigned and thirty-three (33) invoices totaling \$2,708.10 with a county vehicle number listed. All of the invoices were signed by Ms. Jenkins.

The following schedule summarizes the fuel purchases by fiscal year, total invoices, and amount.

Fiscal year	Invoices with signature and vehicle number		Invoices with signature and no vehicle number	
	Number of invoices	Amount	Number of invoices	Amount
2006	0	\$0.00	8	\$209.80
2007	6	\$483.13	11	\$718.77
2008	10	\$1,252.76	27	\$2,808.32
2009	16	\$947.88	58	\$2,328.73
2010	1	\$24.33	10	\$334.10
Total	33	\$2,708.10	114	\$6,399.72

Further, we noted a total of eighteen (18) invoices that were not signed by the employee and did not list the vehicle number, as listed below.

Invoices not signed and no vehicle number		
Fiscal year	Number of invoices	Amount
2006	7	\$253.30
2007	4	\$153.16
2008	1	\$75.73
2009	6	\$125.96
2010	0	\$0.00
Total	18	\$608.15

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During our interview with Coal County District 1 Commissioner Alvin Pebworth, he stated that he told Ms. Jenkins *on occasions* that she could charge gasoline to Coal County District 1 for use in her personal vehicle. Commissioner Pebworth stated that it was cheaper for District 1 to purchase fuel for Ms. Jenkins than it would be to pay her mileage or supply her with a County vehicle to conduct County business. A statement prepared by an Investigator for the Coal County Sheriff's Office reflects Commissioner Pebworth stated that he did not tell Ms. Jenkins she could purchase all the gasoline she had charged to District 1.

During our interviews with the District 1 employees, they stated that they always signed their own tickets for fuel with the exception of the road foreman and a road hand.

During our interview with Ms. Jenkins, she stated that Commissioner Pebworth had allowed her to put gasoline in her personal vehicle because of all the running around she did for County business and to charge it to District 1.

CRITERIA

19 O.S. § 164 states that when using a private vehicle a county employee is entitled to reimbursement at the rate provided for in the State Travel Reimbursement Act for state officers and employees. **21 O.S. § 341** which states in part:

Every public officer of the state or any county, city, town, or member or officer of the Legislature, and every deputy or clerk of any such officer and every other person receiving any money or other thing of value on behalf of or for account of this state or any department of the government of this state or any bureau or fund created by law and in which this state or the people thereof, are directly or indirectly interested, who either:

First: Receives, directly or indirectly, any interest, profit or perquisites, arising from the use or loan of public funds in the officer's or person's hands or money to be raised through an agency for state, city, town, district, or county purposes; or...

**MISCELLANEOUS
PURCHASES
MADE WITH FUEL
PURCHASES**

The purchase orders for fuel included invoices for miscellaneous supplies. We noted thirty-five (35) purchase orders that included one-hundred one (101) invoices for miscellaneous supplies totaling \$2,234.36. Out of the one-hundred one (101) invoices for supplies, fifty-four (54) invoices totaling \$1,012.59 had no documentation describing the items purchased. The following are examples of invoices attached to the approved purchase orders.

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Date 10/7/08

Acct. Name: Coal Co. Dist 1

Acct. Number: _____

Reg. No.	Clerk	Account Forwarded
1	<u>Supplies</u>	<u>31.73</u>
2		
3		
4		
5		
6		
7		
8	<u>Jantz</u>	
9	<u>Jantz</u>	
10		
11		

Tax _____
Total _____

363542

Your account stated to date - If error is found, return at once.

Date 2/7/07

Acct. Name: Coal Co Dist #1

Acct. Number: County Store

Reg. No.	Clerk	Account Forwarded
1	<u>Supplies</u>	<u>4039</u>
2		
3		
4	<u>2 cases toilet paper</u>	<u>44</u>
5	<u>2 rolls of paper</u>	
6	<u>trash bags @ .99</u>	<u>1598</u>
7		
8	<u>Jantz</u>	
9	<u>Jantz</u>	
10		
11		<u>4039</u>

Tax _____
Total _____

485350

Your account stated to date - If error is found, return at once.

Management was unable to provide itemized invoices or receiving documentation. Therefore, we were unable to determine if the supplies were purchased for county or personal use.

CRITERIA

19 O.S. § 1505(E) states in part that the procedure for the receipt of items shall be as follows:

.....

9. The invoice shall state the name and address of the vendor and must be sufficiently itemized to clearly describe each item purchased, the unit price when applicable, the number or volume of each item purchased, the total price, the total purchase price, and the date of the purchase;

TIRE PURCHASES

The Coal County Sheriff provided us with a statement taken by a deputy from an employee at Rick's Oil Company. The employee stated that Ms. Jenkins came to the store and purchased two (2) used tires for the front of her car. She came back a couple of weeks later and purchased two (2) new front tires. She came back again purchasing two (2) used tires for the rear of her vehicle. The employee also stated that Ms. Jenkins charged all the tires to the County.

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We reviewed the District 1 purchase orders issued to Rick's Oil Company and found Ms. Jenkins' signature on the invoices and receiving reports for the purchase of four (4) used tires and two (2) new tires. The supporting documents attached to the purchase orders are consistent with the statement provided by the employee from Rick's Oil Company. The following schedule reflects the tire purchases made by Ms. Jenkins at Rick's Oil Company for her personal vehicle.

Description	Date	Purchase order no.	Invoice no.	Amount
2 used tires	03-11-09	<u>3083</u>	68435	\$ 40.00
2 new tires	04-10-09	<u>3504</u>	67724	\$ 128.00
2 used tires	04-23-09	<u>3504</u>	67772	\$ 52.00

The Coal County Sheriff's office investigator statement documents Commissioner Pebworth stating that he had told Ms. Jenkins she could charge two (2) tires to *his* personal account at Rick's Oil Company and that she may have misunderstood and charged them to Coal County District 1. Also, the statement reflects Commissioner Pebworth said that if more than two (2) tires were charged, Ms. Jenkins did it without his permission and that he never told her to charge any tires for her personal vehicle to Coal County District 1.

We interviewed Ms. Jenkins. She stated that Commissioner Pebworth had told her to go to Rick's Oil Company to purchase some tires for her personal vehicle and charge them to him. She also stated that she had charged four (4) used tires and two (2) new tires to District 1 because she did not know that he meant for her to charge the tires to his personal account.

In addition to the six (6) tires listed above, we noted eight (8) more tires purchased by Ms. Jenkins and charged to the County's account. There was no documentation on the invoices or receiving reports to show the County vehicle for which the tires were purchased. Also, the invoice for two (2) of the tires purchased did not have a description of the tires purchased.

Description	Vendor	Date	Purchase order no.	Invoice number	Amount
(4) 235/75/15 tires	Hoppers Tire & Wrecker	03-16-06	<u>2810</u>	None	\$ 344.00
(2) LT265/75/15 tires	Rick's Oil Company	11-21-07	<u>1812</u>	61167	\$ 278.00
(2) tires (no description)	Hall's Auto Supply	03-31-09	<u>3087</u>	10601	\$ 286.00

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Management was unable to provide documentation to determine if the eight (8) tires listed above were purchased for County or personal use.

Based on Ms. Jenkins own admission she purchased four (4) used and two (2) new tires at Rick's Oil Company at a total cost of \$220.00 for her personal use and charged them to District 1.

CRITERIA Using County funds to pay for the tires Ms. Jenkins purchased for her personal vehicle appears to be a violation of **21 O.S. § 341**.

AIR CONDITIONERS PURCHASED While reviewing purchase orders, it was noted that Ms. Jenkins signed the invoices and receiving report for the purchase of four (4) air conditioners as listed below.

Unit	Vendor	Purchase order no.	Make	Model	Size BTU	Serial number	Cost
Unit 1	Phillips Haney	<u>4419</u>	Westpoint	MWF1-06CR-1	6,000	B119267156007423150116	\$ 149.99
Unit 2	Wal-Mart	<u>402</u>	None	None	6,000	SNGR306632	\$ 130.00
Unit 3	C&C Hardware	<u>419</u>	Crossly	CAE15 ESR	15,000	1K80524362	\$ 499.00
Unit 4	Phillips Haney	<u>4091</u>	Westpoint	MWF-10CR	10,000	C101016480408112150010	\$ 299.00

The serial number for Unit 2 was listed on the invoice and Unit 3 serial number was obtained from its warranty card at C & C Hardware. The serial numbers listed from Unit 1 and 4 were not listed on the invoice nor was Philips Haney Lumber Company able to provide them to us. We visually verified by serial number Unit 2 and Unit 3, which were located at District 1 barn in the secretary's office and break room, respectively. Also, we visually verified two (2) Westpoint air conditioners at rental property where Ms. Jenkins had been a tenant and recorded their serial numbers.

We obtained a Coal County Deputy Sheriff's probable cause affidavit that stated Ms. Jenkins had contacted the individual renting the house where she had previously been a tenant. Ms. Jenkins told the occupant that her father would be over to remove an air conditioner and replace it with another one. Further, the affidavit states that the air conditioner had been purchased during the time Ms. Jenkins was residing at the residence and she had furnished the property owner a copy of the invoice to receive credit on the rent owed.

We obtained a copy of invoice #37113 Ms. Jenkins provided to the homeowner as proof that she had purchased the air conditioner. After receiving the invoice,

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we took it to the vendor, Phillips Haney Lumber, to verify its authenticity. We presented the invoice to two (2) employees. They told us immediately that the invoice did not match the original format that would have been printed by their system. They stated that the customer number on the invoice belongs to the county and not the secretary's personal account; "Paid in Full" is stamped on the invoice and they do not have a paid in full stamp; the "Sold To" box is not all capital letters, which their system prints this box in capital letters only; and the bottom of the invoice does not give the status of the account as an invoice printed by them would reflect. We obtained a reprint of the original receipt from Phillips Haney Lumber that has the same item, purchase price, customer, clerk number, time, term number, and document number as the invoice Ms. Jenkins provided to the owner of the rental property.

During an interview with Ms. Jenkins and her attorney, she stated that she had purchased an air conditioner for her previous residence and had asked Commissioner Pebworth if she could trade the air conditioner she had purchased with one that had been purchased by the County. She could not remember the reason for wanting to trade, but said Commissioner Pebworth agreed to trade one at the county barn for the one she had purchased. Further, she stated that she did take the air conditioner she purchased and traded it with the one at the barn. Since she had swapped the air conditioner at her residence with one from the county barn, she needed a receipt to give to the homeowner documenting the cost. Ms. Jenkins said that Phillips Haney provided her with a receipt with her name on it to give to the home owner. When shown the invoice provided to us by the homeowner, Ms. Jenkins confirmed that this was the invoice she had obtained from Phillips Haney Lumber. This is the same invoice we presented to employees at Phillips Haney Lumber, and they stated that it was not issued by them.

The homeowner also provided us invoice #A50537 that Ms. Jenkins had given them. This invoice was for a WestPoint 6000 BTU air conditioner, cash purchase, and sales tax paid. We contacted the business where the air conditioner had been purchased, and they verified this was an actual invoice that they had issued.

Based on the purchase orders, District 1 purchased four (4) air conditioners and Ms. Jenkins purchased one (1) for a total of five (5). We were able to verify two (2) by serial numbers and two (2) by make and model leaving one (1) air conditioner unaccounted for.

Ms. Jenkins purchased at least one air conditioner with County funds for her personal use. The air conditioner was placed in her residence and the invoice altered to get credit on her rental bill.

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We visually verified the Silver Steam vac, two (2) Lasko heaters, and the Pelonis oil filled heater at the Sheriff's evidence storage building.

It appears Ms. Jenkins had a County property steam vac, and three (3) heaters in her possession. The steam vac was seized by the Sheriff's office while they executed a search warrant at Ms. Jenkins' storage unit. After she was made aware that the Sheriff Department had searched her storage unit, she returned the three (3) heaters to the District 1 barn.

The storage of County property at locations that are not under the custody and control of the County would be an ineffective and inappropriate inventory control practice that could result in a misappropriation of assets.

CRITERIA

The possession of these items by Ms. Jenkins in her personal storage may be a violation of **21 O.S. § 341**.

**CAMERAS,
DVD PLAYER,
AND GRAPHIC
CALCULATOR
PURCHASED**

According to the probable cause affidavit, on August, 12, 2009, the Coal County Sheriff's Department executed a search warrant at District 1 barn. At the time of the search, no items were seized. The following day the Sheriff's Department returned to the District 1 barn and seized the following items that were not there during their search on August 12th. The items seized by the Sheriff's Department were:

Item	Serial number
HP M525V camera	SCN68XG626P
Kodak C160 camera	KCGVF91707039
Phillips Up-Convert DVD player	KX2B0750597013
Texas Instrument Graphic calculator (pink)	None

During our examination of the purchase orders, we noted the items listed above had been purchased by District 1. Ms. Jenkins signed the receiving reports as the individual receiving these items except for the DVD player. We were able to obtain a copy of the signed charge tickets for these items except for the HP M525V camera from Wal-Mart. The charge slips received were all signed by Ms. Jenkins as the individual making the purchase. We visually verified these items at the Sheriff's evidence storage building. The following schedule reflects the item, vendor, date purchased, purchased order number, and cost.

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Description	Vendor	Date	Purchase order no.	Amount
HP Digital Camera	Wal-Mart	12-11-06	<u>1788</u>	\$128.88
Phillips DVD Player	Wal-Mart	02-13-08	<u>2898</u>	\$47.56
Texas Instruments Calculator	Wal-Mart	08-26-08	<u>788</u>	\$94.00
Kodak Digital Camera	Wal-Mart	05-13-09	<u>4155</u>	\$87.84

During our interview with Ms. Jenkins, she stated that Commissioner Pebworth wanted her to keep the cameras in her possession at all times. Commissioner Pebworth stated that Ms. Jenkins used the cameras to take pictures of the roads and bridges that were damaged or needed repairs. He also stated that she was the only one that used them and that he told her to keep up with them. However, there does not appear to be a business reason for Ms. Jenkins to have these items in her possession at all times. Ms. Jenkins returned the cameras to the District 1 barn on August 13, 2009.

It appears Ms. Jenkins purchased and kept in her possession the items listed above for personal use until an investigation was started at which time she returned the items to the District 1 barn.

The storage of County property at locations that are not under the custody and control of the County would be an ineffective and inappropriate inventory control practice that could result in a misappropriation of assets.

CRITERIA

The purchase and possession of these items by Ms. Jenkins may be a violation of **21 O.S. § 341**.

ITEMS GIVEN AWAY

According to a Sheriff's investigation statement, the Sheriff's Department received a Canon Powershot A70 digital camera, Husquvarna 460 Chainsaw, and an Arrow Staple Gun with staples from Stephanie Dalton and Joe Bob Courson. These individuals stated that the items were given to them by Ms. Jenkins. The Sheriff's Department verified that the serial numbers on the Canon Powershot A70 digital camera agreed to the County's fixed asset records and the Husquvarna 460 chainsaw serial number agreed to the invoice attached to purchase order #3452. The Arrow staple gun was verified to an invoice attached to purchase order #2691.

Stephanie Dalton, the individual who received the Powershot A70 digital camera and Arrow staple gun, provided the Sheriff's office with a written statement. Ms. Dalton stated that she had gone with Ms. Jenkins to the District 1 barn to use the County's computer and while there Ms. Jenkins gave her the camera stating that it was broke and she was going to throw it away. Also, she stated that Ms. Jenkins told her if she got the camera to work, to be sure and delete any pictures

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on the smart card. A Coal County Deputy's written statement reflects that Ms. Dalton also received an Arrow brand stapler from Ms. Jenkins for helping her move.

Joe Bob Courson gave the Husquvarna chainsaw to a probation and parole officer. Statements from Mr. Courson reflect that he, Ms. Jenkins, and Megan Wood had gone to District 1 barn to use the computer. While at the barn Ms. Jenkins asked Mr. Courson if he had seen anything he wanted. Mr. Courson stated he would like to have a chainsaw at which time Ms. Jenkins told him to get it. Mr. Courson stated that he told her he was not carrying anything out. At this point Ms. Jenkins got the chainsaw and put it into the truck they were in. A statement from Megan Wood described the same series of events as given by Mr. Courson.

While reviewing purchase orders, it was noted that District 1 purchased a Husquvarna 460 Chainsaw and an Arrow Staple Gun with staples. The County's fixed asset records document that District 1 purchased a Canon Powershot A70 camera. We visually verified these items at the Sheriff's Department evidence storage building.

Description	Vendor	Date	Purchase order no.	Amount
Canon Powershot A70	N/A	5-22-03	<u>3349</u>	\$299.00
Husquvarna460 Chainsaw	Larry's Lawnmower	5-15-06	<u>3452</u>	\$390.00
Arrow Staple Gun	Phillips Haney	1-29-09	<u>2691</u>	\$42.60

CRITERIA

Based on statements made by Joe Bob Courson and Stephanie Dalton, it appears that Ms. Jenkins violated **21 O.S. § 341**.

MISSING INVENTORY

During our examination of the purchase orders, we prepared a schedule of all items purchased during the audit period. An inventory of the items was conducted at District 1 barn. We were unable to locate the following items:

Description	Vendor	Date	Purchase order no.	Amount
Steam Cleaner	C&C Hardware	05-22-06	<u>3501</u>	\$299.99
Vacuum Cleaner	C&C Hardware	09-05-06	<u>740</u>	\$79.00
Space Heater	C&C Hardware	12-01-06	<u>1673</u>	\$27.99
Hoover Vacuum Cleaner	C&C Hardware	10-26-07	<u>1410</u>	\$129.00
Heater	C&C Hardware	01-02-08	<u>2245</u>	\$49.99
Weight Distribution Hitch	Idle Time	04-08-09	<u>3595</u>	\$300.00

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During our interview with Ms. Jenkins, she stated someone told her to go pick up the weight distribution hitch, but she could not remember who had told her. She stated the hitch was brought back to the barn, and the guys at the barn unloaded it. She stated she did not know who unloaded it. The invoices and receiving reports attached to the purchase orders for the items listed above were signed by Ms. Jenkins.

The Sheriff Deputy's investigator statement reflects Commissioner Pebworth stated that he did not know where the hitch was or why it was purchased. Also, the statement reflects that several District 1 employees stated they had never seen the hitch and did not believe it was ever at the County barn. Although Commissioner Pebworth stated he did not know anything about the weight distribution hitch, he signed the purchase order as the requisitioning officer and approved it for payment, as noted below.

SAB 1116 (1982) **REQUISITION-PURCHASE ORDER - CLAIM**

Requisition No. 553133 **COAL** County, Oklahoma Purchase Order No. 003595

Blanket P.O.

Requisitioning Dept. DIST 1 Date Req. Rec. 04/08/2009 Date Assigned 04/08/2009 I hereby certify that the amount of this requisition has been entered against the designated appropriation account and that the encumbrance is within the authorized available balance of said appropriation. **04/08/2009**

Project No. _____ Date Material Needed _____ Date _____ Requisitioning County Official _____

SUGGESTED VENDORS

Issue To: Idle Time RV Sales DATE: 04/08 FISCAL YEAR 09 _____

2901 STATE HWY 1E APPROPRIATION ACCOUNT _____

ALLIEN, OK 74535 I hereby agree to the terms and conditions of this purchase order. **APR 11 2009**

Ship To: COAL CO COMMISSIONER DATED THIS 08 DAY OF April 2009

TURFLO BARN of COAL County, Oklahoma

4 NORTH MAIN SITE #1 COUNTY CLERK/DEPUTY

COALGATE, OK 74538-0000

Quantity	Unit	Description	Unit Price	Am. To Be Encumbered	Adjustment Amount	Approved Amount
1.00	1	WEIGHT HITCH	300.00	300.00		
Total						300.00

CHARGE & INVOICE TO: EUGINA LOUDERMILK County Clerk

4 NORTH MAIN SITE #1

COALGATE , Okla. 74538

APPROVAL BY GOVERNING BOARD

This claim is approved for payment in the amount indicated above. (Signed by at least two (2) members of District Attorney is approving Officer of expenditures for this office. See 10 O.S. 191, Section 516.)

Date 4-21-09 Michael [Signature] Chairman

Date Returned For Filing For Consideration by Governing Board _____

COMPLETE WHEN USED WITH BLANKET PURCHASE ORDER

I also certify that the maximum amount of the blanket purchase order has not been exceeded.

Date _____ County Clerk/Deputy _____

Date _____ Requisitioning County Official _____

WARRANT NUMBER 7315 AMOUNT \$ 300.00

PAYMENT RECORD

134

1315

071624

Idle-Time R.V. Sales & Service
1 Mile West of Allen on Highway 1
ALLEN, OKLAHOMA 74005-9701
Phone & Fax: (580) 657-2878 • Toll Free 1-877-261-6756
Making Every Mile An Adventure!

TAWYGA

Customer's Order No. 4-8-2009

Name COAL COUNTY COMM. DIST 1

Address 4. N. MAIN SUITE 3

COALGATE OK 74538 Phone: 580-927-2103

QUANTITY	DESCRIPTION	UNIT PRICE	TOTAL
1	Weight Dist Hitch	250.00	250.00
1	Survey Cord & Ball	50.00	50.00
			300.00

NO 24
FED 736006355
PO # 3595

RECEIVED BY JAMES JENKINS TAX _____ TOTAL _____

PRINTED IN USA

Thank You

**COAL COUNTY COMMISSIONER, DISTRICT 1
COAL COUNTY, OKLAHOMA
SPECIAL AUDIT REPORT
JANUARY 1, 2006 THROUGH SEPTEMBER 30, 2009**

While reviewing purchase orders for items that would be consistent with the remodel of the District 1 barn, we noted that District 1 purchased one (1) small faucet on January 29, 2009, and eleven (11) units of linoleum on March 31, 2009, at Phillips Haney Lumber.

While performing the inventory at District 1 barn on December 10, 2009, we observed the office and break room to determine if the linoleum and faucet had been installed. We found no evidence of these items being part of the remodel project.

During an interview with Commissioner Pebworth, he stated that the small faucet and the linoleum were purchased for the remodeling of the office and break room at the District 1 barn and as far as he knew the contractor had the items. The following schedule shows the items purchased for the remodel:

Description	Vendor	Date	Purchase order no.	Amount
Small faucet	Phillips Haney Lumber	1-29-09	<u>2651</u>	\$27.99
Linoleum	Phillips Haney Lumber	3-31-09	<u>3536</u>	\$65.89

It was also noted that on purchase order #2651, District 1 allowed a contractor to sign invoices at Phillips Haney Lumber in the amount of \$2,124.28. In addition, as of December 10, 2009, the District 1 break room at the barn does not appear to have been remodeled.

**HIGHWAY FUNDS
USED FOR SHERIFF'S
OFFICE**

We noted on November 30, 2006, District 1 began receiving two (2) separate electric bills from Peoples Electric Cooperative. Further investigation revealed that the second account had been opened on November 1, 2006 to provide electrical service for a relay tower at Centrahoma. The electrical service for the tower continued through November 23, 2007. A total of thirteen (13) payments in the amount of \$205.26 were made from the District 1's County Highway Fund.

Commissioner Pebworth stated that the relay tower was for the Coal County Sheriff's department.

CRITERIA

69 O.S. § 1503(a) states:

- (a) All monies raised for use on the county highways in each county, or apportioned to each county for road purposes, from any source, including all funds and monies derived by law, levy, taxation, or apportionment shall, unless otherwise provided by law, be placed in the county treasury in a fund to be known as the county highway fund, to be expended on order of the board of county commissioners on county

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highways as defined herein, or on state highways within their respective counties including the lighting thereof, if, in the judgment of the board of county commissioners, such expenditure would be just and equitable and for the best interest of the county.

We find no authority for highways monies to be expended for the maintenance and operation of the Sheriff's office.

RECOMMENDATION We recommend that the County Sheriff reimburse the highway fund for these expenditures.

**COUNTY FUNDS
USED FOR PRIVATE
DRIVEWAYS** During interviews with District 1 road hands and Commissioner Pebworth, it was noted that a county employee used a county road grader on personal property. The road grader was used to construct a base for driveways leading to two private homes.

According to Commissioner Pebworth, one driveway was approximately 600 feet long and the other was approximately 300 feet long.

CRITERIA Title **69 O.S. § 643.1** states that:

The Board of County Commissioners is authorized to enter onto private property adjoining county roads and to perform work by county employees or by contractors working for the county, on such private property, when:

1. The available right-of-way does not provide enough space for needed conservation works of improvement to diminish erosion and siltation of the right-of-way;
2. The owner, or owners, of the adjoining property sign a cooperative agreement permitting such works, which agreement shall state the amount of land to be treated, and the works of improvement to be constructed. Any work performed will be restricted solely to that specified in the cooperative agreement;
3. The local Conservation District has approved the proposed works of improvement; and
4. A copy of the cooperative agreement and a statement of approval from the local Conservation District has been filed with the records of the county commissioners in the office of the county clerk and the cooperative local agreement and statement from the local Conservation District have become a part of the minutes of the county commissioners' proceedings.

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Based on the information provided to SAI and interviews, it appears the County provided personnel and equipment to construct a road base for driveways on private property. We find no authority that allows the County Commissioner to provide County personnel and equipment to perform work on private property; therefore, it appears this is a violation of **21 O.S. § 341** and **69 O.S. § 643.1**.

RECOMMENDATION We recommend the appropriate legal authority review the above report to determine what action, if any, may be required, and we have provided a copy of this report to the District Attorney.

DISCLAIMER Throughout this report there are numerous references to state statutes and legal authorities, which appear to be relevant to issues raised by the District Attorney and reviewed by this Office. The State Auditor and Inspector has no jurisdiction, authority, purpose, or intent by the issuance of this report to determine the guilt, innocence, culpability or liability, if any, of any person or entity for any act, omission, or transaction reviewed and such determinations are within the exclusive jurisdiction of regulatory, law enforcement, and judicial authorities designated by law.

The inclusion of cites to specific statutes or other authorities within this report does not, and is not intended to, constitute a determination or finding by the State Auditor and Inspector that the Coal County Commissioner, District 1 or any of the individuals named in this report or acting on behalf of the Board of County Commissioners have violated any statutory requirements or prohibitions imposed by law. All cites and/or references to specific legal provisions are included within this report for the sole purpose of enabling interested parties to review and consider the cited provisions, independently ascertain whether or not the Board of County Commissioners' policies, procedures, or practices should be modified or discontinued, and to independently evaluate, whether or not the recommendations made by this Office should be implemented.



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