



COMANCHE COUNTY

Financial Report

For the fiscal year ended June 30, 2021

Cindy Byrd, CPA
State Auditor & Inspector

**COMANCHE COUNTY, OKLAHOMA
FINANCIAL STATEMENT
AND INDEPENDENT AUDITOR'S REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

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.



November 7, 2022

TO THE CITIZENS OF
COMANCHE COUNTY, OKLAHOMA

Transmitted herewith is the audit of Comanche County, Oklahoma for the fiscal year ended June 30, 2021. The audit was conducted in accordance with 19 O.S. § 171.

A report of this type can be critical in nature. Failure to report commendable features in the accounting and operating procedures of the entity should not be interpreted to mean that they do not exist.

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.

This report is 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 "Cindy Byrd".

CINDY BYRD, CPA
OKLAHOMA STATE AUDITOR & INSPECTOR

**COMANCHE COUNTY OFFICIALS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

Board of County Commissioners

District 1 – Gail Turner
District 2 – Johnny Owens
District 3 – Alvin Cargill

County Assessor

Grant Edwards

County Clerk

Carrie Tubbs

County Sheriff

Kenny Stradley

County Treasurer

Rhonda Brantley

Court Clerk

Robert Morales

District Attorney

Kyle Cabelka

**COMANCHE COUNTY, OKLAHOMA
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

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FINANCIAL SECTION



Independent Auditor's Report

TO THE OFFICERS OF
COMANCHE COUNTY, OKLAHOMA

Report on the Financial Statement

We have audited the total—all county funds on the accompanying regulatory basis Statement of Receipts, Disbursements, and Changes in Cash Balances of Comanche County, Oklahoma, as of and for the year ended June 30, 2021, and the related notes to the financial statement, which collectively comprise the County's basic financial statement as listed in the table of contents.

Management's Responsibility for the Financial Statement

Management is responsible for the preparation and fair presentation of this financial statement in accordance with the regulatory basis of accounting described in Note 1, and for determining that the regulatory basis of accounting is an acceptable basis for the preparation of the financial statement in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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 from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statement. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statement.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles

As described in Note 1, the financial statement is prepared by Comanche County using accounting practices prescribed or permitted by Oklahoma state law, which is a basis of accounting other than accounting principles generally accepted in the United States of America. The effects on the financial statement of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the “Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles” paragraph, the financial statement referred to above does not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of Comanche County as of June 30, 2021, or changes in financial position for the year then ended.

Unmodified Opinion on Regulatory Basis of Accounting

In our opinion, the financial statement referred to above presents fairly, in all material respects, the total receipts, disbursements, and changes in cash balances for all county funds of Comanche County, as of and for the year ended June 30, 2021, in accordance with the basis of accounting described in Note 1.

Other Matters

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the total of all county funds on the financial statement. The accompanying schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards and the remaining supplementary information, as listed in the table of contents, are presented for purposes of additional analysis and is not a required part of the financial statement.

The schedule of expenditures of federal awards and the remaining supplementary information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statement. Such information has been subjected to the auditing procedures applied in the audit of the financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statement or to the financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards and the remaining supplementary information is fairly stated, in all material respects, in relation to the financial statement.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated October 3, 2022, on our consideration of Comanche 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 solely 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 effectiveness

of the County's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Comanche County's internal control over financial reporting and compliance.



CINDY BYRD, CPA
OKLAHOMA STATE AUDITOR & INSPECTOR

October 3, 2022

REGULATORY BASIS FINANCIAL STATEMENT

COMANCHE COUNTY, OKLAHOMA
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND
CHANGES IN CASH BALANCES—REGULATORY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	Beginning Cash Balances July 1, 2020	Receipts Apportioned	Transfers In	Transfers Out	Disbursements	Ending Cash Balances June 30, 2021
County Funds:						
County General	\$ 4,024,116	\$ 11,004,507	\$ 43,954	\$ -	\$ 9,299,749	\$ 5,772,828
County Highway Unrestricted	2,308,881	5,092,050	55,982	-	5,070,143	2,386,770
Health	2,580,751	1,959,949	7,290	-	1,487,001	3,060,989
Resale Property	1,503,577	1,243,773	2,993	-	963,800	1,786,543
Treasurer Mortgage Certification Fee	12,308	24,865	125	-	17,772	19,526
County Clerk Lien Fee	37,441	28,983	193	-	2,472	64,145
County Clerk Records Management Fee	168,113	197,990	375	-	106,205	260,273
Assessor Revolving Fee	14,996	3,788	-	-	-	18,784
Sheriff Service Fee	116,016	246,634	62,093	-	252,479	172,264
Sheriff Sales Tax	208,218	168,262	-	-	88,088	288,392
Byrnes Grant	27,482	-	-	-	24,625	2,857
Juvenile Detention	163,883	1,388,669	39,265	-	1,300,923	290,894
Juvenile Bureau Federal IV-E	283,026	10,466	-	-	40,154	253,338
911 Phones Fees	83,659	50,610	-	-	60,000	74,269
Emergency Management	73,367	201,472	2,460	-	194,695	82,604
County Donations - Home Finance	1,872,293	32,265	-	-	41,733	1,862,825
Fair Maintenance Sales Tax	43,146	300,115	-	-	317,047	26,214
Use Tax	1,824,979	867,129	-	-	250,147	2,441,961
General Government Sales Tax	461,284	179,839	-	-	-	641,123
Jail Sales Tax	247,011	3,764,178	1,204,101	-	4,826,935	388,355
Economic Development Sales Tax	121,824	673,783	-	-	764,792	30,815
County Bridge and Road Improvement	2,025,921	572,972	17,335	-	556,791	2,059,437
Reward Fund	73	98	-	-	74	97
Rural Fire Sales Tax	40,608	284,125	-	-	271,321	53,412
Court Clerk Payroll	461	408,105	-	-	397,844	10,722
Sheriff Forfeiture	2,368	-	-	-	2,368	-
National Association of County and City Health Officials	7,500	-	-	-	5,248	2,252
Covid Aid and Relief (CARES)	-	1,350,353	-	1,333,417	16,513	423
Covid Emergency Supplemental Funding	-	45,634	-	11,898	1,887	31,849
Civic Tech and Civic Life Donation Grant	-	91,505	-	42,403	41,197	7,905
American Rescue Plan Act	-	11,727,039	-	-	-	11,727,039
Total - All County Funds	\$ 18,253,302	\$ 41,919,158	\$ 1,436,166	\$ 1,387,718	\$ 26,402,003	\$ 33,818,905

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

**COMANCHE COUNTY, OKLAHOMA
NOTES TO THE FINANCIAL STATEMENT
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

1. Summary of Significant Accounting Policies

A. Reporting Entity

Comanche County is a subdivision of the State of Oklahoma created by the Oklahoma Constitution and regulated by Oklahoma Statutes.

The accompanying financial statement presents the receipts, disbursements, and changes in cash balances of the total of all funds under the control of the primary government. 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, where its use is restricted for a specified purpose. Other funds established by statute and under the control of the primary government are also presented.

The County Treasurer collects and remits material amounts of intergovernmental revenues and ad valorem tax revenue for other budgetary entities, including 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.

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 county funds included within the financial statement:

County General – accounts for the general operations of the government.

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

Health – accounts for monies collected on behalf of the county health department from ad valorem taxes and state and local revenues. Disbursements are for the operation of the county health department.

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

Treasurer Mortgage Certification Fee – accounts for the collection of fees by the Treasurer for mortgage tax certificates and the disbursement of the funds as restricted by state statute.

County Clerk Lien Fee – accounts for lien collections and disbursements as restricted by state statute.

**COMANCHE COUNTY, OKLAHOMA
NOTES TO THE FINANCIAL STATEMENT
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

County Clerk Records Management Fee – accounts for fees collected for instruments filed in the County Clerk’s office as restricted by state statute for preservation of records.

Assessor Revolving Fee – accounts for the collection and expenditure of monies by the Assessor as restricted by state statute for the visual inspection program.

Sheriff Service Fee – accounts for the collections of process service fees and court fees to be disbursed for the Sheriff’s office as restricted by state statute.

Sheriff Sales Tax – accounts for the collection of sales tax proceeds. Disbursements are for the operational costs of the Comanche County Sheriff’s department as directed by the sales tax ballot.

Byrnes Grant – accounts for grant monies received by the Sheriff’s office. Disbursements are for allowable expenses provided by grant contracts.

Juvenile Detention – accounts for the collection from State of Oklahoma and other Oklahoma counties for the housing of juvenile offenders. Disbursements are for the general operations of the juvenile detention center.

Juvenile Bureau Federal IV-E – accounts for the collection of grant monies provided for seeking and preserving families. Disbursements are for professional services, contracts, and community service supervisors.

911 Phone Fees – accounts for the collection of a 5% fee of the tax rate imposed on residents outside city limits of Lawton, but within the boundaries of Comanche County. Disbursements are to operate and maintain an emergency telephone system (E-911).

Emergency Management – accounts for state and local government collections and disbursements are for allowable expenses provided by grant contracts.

County Donations - Home Finance – accounts for the collection of donations from Home Finance Authority. Disbursements are made as designated by the Board of County Commissioners for the general operations of the County and maintenance of county facilities.

Fair Maintenance Sales Tax – accounts for the collection of sales tax monies. Disbursements are for capital improvements and operational costs of the Comanche County Fairgrounds.

Use Tax – accounts for use tax collections from the Oklahoma Tax Commission. Disbursements are for general maintenance of the Comanche County Courthouse.

General Government Sales Tax – accounts for the collection of sales tax monies. Disbursements are for the purpose of capital improvements.

**COMANCHE COUNTY, OKLAHOMA
NOTES TO THE FINANCIAL STATEMENT
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

Jail Sales Tax – accounts for the collections of sales tax proceeds for the payment of bond issues held by a local financial institution related to the building of the county jail. After receipt of the sales tax by Comanche County, the sales tax proceeds are transferred to a local financial institution where indebtedness is held for the Comanche County Facilities Authority for operations of the capital improvements and operational cost of the Comanche County Jail.

Economic Development Sales Tax – accounts for the collection of sales tax proceeds. Disbursements are made for necessary expenditures for the economic development efforts of the Comanche County Industrial Authority.

County Bridge and Road Improvement – accounts for state receipts. Disbursements are for maintaining bridges and roads.

Reward Fund – accounts for the monies collected and disbursed to citizens involved in the reporting of littering offenses.

Rural Fire Sales Tax – accounts for the collection of sales tax monies. Disbursements are to provide funding for rural fire protection in Comanche County.

Court Clerk Payroll – accounts for funds collected by the Court Clerk and disbursed for payroll of the Court Fund employees.

Sheriff Forfeiture – accounts for forfeitures awarded to the County Sheriff and disbursed by the Sheriff's department as restricted by state statute.

National Association of County and City Health Officials – accounts for the collection of federal grant money to be disbursed to strengthen Medical Reserve Corps Unit response capabilities.

Covid Aid and Relief (CARES) – accounts for federal grant monies received from the Coronavirus Relief Fund for the reimbursement of COVID related expenditures. Disbursements are for any lawful purpose of the County as directed by Board of County Commissioners resolution.

Covid Emergency Supplemental Funding – accounts for the federal grant funds received and disbursed as restricted by grant requirements.

Civic Tech and Civil Life Donation Grant – accounts for the collections of a private donation to be used by the Election Board to offset election expense and implement improvements of exposure related to the pandemic for either employees or election workers.

American Rescue Plan Act – accounts for monies received from the American Rescue Plan Act and can be disbursed for responding to the COVID-19 public health emergency and its negative economic impact, premium pay to eligible workers, the provision of government services to

**COMANCHE COUNTY, OKLAHOMA
NOTES TO THE FINANCIAL STATEMENT
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

the extent of the reduction in revenue due to the COVID-19 public health emergency, and investments in water, sewer, and broadband infrastructure as restricted by federal requirements.

C. Basis of Accounting

The 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 regulatory basis financial presentation is not a comprehensive measure of economic condition or changes therein.

Title 19 O.S. § 171 allows Oklahoma counties to present their financial statement in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP) or on a regulatory basis. The County has elected to present their financial statement on a regulatory basis in conformity with Title 19 O.S. § 171, which specifies the format and presentation of such regulatory basis financial statements: county governments (primary only) are required to present their financial statements on a fund basis format with, at a minimum, the general fund and all other county funds, which represent ten percent or greater of total county revenue with all other funds included in the audit presented in the aggregate in a combining statement. However, the County has elected to present all funds included in the audit in the Statement of Receipts, Disbursements, and Changes in Cash Balances—Regulatory Basis.

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.

E. Cash and Investments

For the purposes of financial reporting, “Ending Cash Balances, June 30” includes cash and cash equivalents and investments as allowed by statutes. 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

**COMANCHE COUNTY, OKLAHOMA
NOTES TO THE FINANCIAL STATEMENT
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

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).

The County Treasurer has been authorized by the County's governing board to make investments. Allowable investments are outlined in statutes 62 O.S. § 348.1 and § 348.3.

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. All investments as classified by state statute are nonnegotiable certificates of deposit. Nonnegotiable certificates of deposit are not subject to interest rate risk or credit risk.

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."

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. The County Treasurer, according to the law, shall give notice of delinquent taxes and special assessments by publication once a week for two consecutive weeks at any time after April 1, but prior to the end of September following the year the taxes were first due and payable. Unpaid real property taxes become a lien upon said property after the treasurer has perfected the lien by public notice.

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

3. Other Information

A. 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

**COMANCHE COUNTY, OKLAHOMA
NOTES TO THE FINANCIAL STATEMENT
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

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.

B. 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.

C. 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.

D. Sales Tax

Sales Tax of June 24, 2014

On June 24, 2014, Comanche County citizens voted to increase the Comanche County sales tax to three-eighths of one percent (3/8%) from the original two-eighths of one percent (2/8%). This was to replace both the economic development 1/8% tax, and the county jail 1/8% tax. It also extended the term of specifically set out in Resolution number 04-07-14 of the Board of County Commissioners of Comanche County, Oklahoma. This sales tax expires December 31, 2021. Per resolution, two-eighths of one percent (2/8%) of the sales tax is to provide funding for capital improvements and operational costs pertaining to the Comanche County Jail, and is accounted for in the Jail Sales Tax fund. The remaining 1/8% will provide funding for the economic development efforts through the Comanche County Industrial Authority, County Capital Improvements, County Fairgrounds, Rural Fire Departments, and the County Sheriff's Department. These funds are accounted for as separate cash funds on the County's general ledger as follows: Sheriff Sales Tax, Fair Maintenance Sales Tax, General Government Sales Tax, Economic Development Sales Tax, and Rural Fire Sales Tax.

**COMANCHE COUNTY, OKLAHOMA
NOTES TO THE FINANCIAL STATEMENT
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

Sales Tax of March 2, 2021

On March 2, 2021, Comanche County citizens voted to extend the existing three-eighths of one percent (3/8%) County sales tax currently levied pursuant to Resolution Number 04-07-2014 of the County which provides funding for the economic development efforts of Comanche County, including capital improvements and operational cost of rural fire protection, county fairgrounds, sheriff's office, county jail, and the Comanche County Industrial Authority and/or debt service in connection with obligations issued by or on behalf of the County to fund any of the capital improvements; becoming effective March 2, 2021 for 10 years expiring on December 31, 2031. These funds are accounted for as separate cash funds on the County's general ledger as follows: Sheriff Sales Tax, Fair Maintenance Sales Tax, General Government Sales Tax, Jail Sales Tax, Economic Development Sales Tax, and Rural Fire Sales Tax.

E. Interfund Transfers

During the fiscal year, the County made the following transfers between cash funds:

- \$48,448 was transferred from the Escrow Account (a trust and agency fund) to the following accounts for the completion of road projects:
 - \$31,113 to the County Highway Unrestricted fund.
 - \$17,335 to the County Bridge and Road Improvement fund.
- \$42,403 was transferred from the Civic Tech and Civic Life Donations Grant fund to the County General fund for the purpose of reimbursement to the County General fund for expenses incurred during the pandemic by the Election Board in the preparation of 2020 elections.
- \$1,333,417 was transferred from the Covid Aid and Relief (CARES) fund for the reimbursement of disbursements related to the COVID pandemic, as allowed by grant funding, to the following funds:
 - \$21,373 to the County Highway Unrestricted fund.
 - \$2,009 to the Health fund.
 - \$2,439 to the Resale Property fund.
 - \$193 to the County Clerk Lien Fee fund.
 - \$61,577 to the Sheriff Service Fee fund.
 - \$39,265 to the Juvenile Detention fund.
 - \$2,460 to the Emergency Management fund.
 - \$1,204,101 to the Jail Sales Tax fund.
- \$11,898 was transferred from the Covid Emergency Supplemental Funding fund for the reimbursement disbursements related to the COVID pandemic, as allowed by grant funding, to the following funds:
 - \$1,551 to the County General fund.
 - \$3,496 to the County Highway Unrestricted fund.
 - \$5,281 to the Health fund.
 - \$554 to the Resale Property fund.
 - \$125 to the Treasurer Mortgage Certification Fee fund.

**COMANCHE COUNTY, OKLAHOMA
NOTES TO THE FINANCIAL STATEMENT
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

- \$375 to the County Clerk Records Management fund.
- \$516 to the Sheriff Service Fee fund.

SUPPLEMENTARY INFORMATION

COMANCHE COUNTY, OKLAHOMA
COMPARATIVE SCHEDULE OF EXPENDITURES—BUDGET AND ACTUAL—
BUDGETARY BASIS—GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	General Fund		
	Budget	Actual	Variance
District Attorney - State	\$ 12,000	\$ 12,000	\$ -
County Sheriff	2,193,921	2,193,821	100
County Treasurer	334,297	323,743	10,554
County Commissioners	426,896	420,849	6,047
OSU Extension	152,077	151,659	418
County Clerk	662,185	661,985	200
Court Clerk	797,483	791,972	5,511
County Assessor	420,069	418,475	1,594
Visual Inspection	755,057	754,183	874
Juvenile Shelter Bureau	489,822	488,991	831
General Government	2,351,453	1,507,403	844,050
Excise - Equalization	7,079	6,864	215
Election Board	223,287	206,083	17,204
Emergency Management	139,941	139,941	-
Charity	1,350	1,350	-
E-911	526,741	526,741	-
County Audit Budget	72,502	72,502	-
Free Fair Budget	326,126	326,126	-
County Hospital	181,254	181,254	-
Library Budget	26,500	26,500	-
Juvenile Detention Center	285,417	285,413	4
Total Expenditures, Budgetary Basis	<u>\$ 10,385,457</u>	<u>\$ 9,497,855</u>	<u>\$ 887,602</u>

**COMANCHE COUNTY, OKLAHOMA
 COMPARATIVE SCHEDULE OF EXPENDITURES—BUDGET AND ACTUAL—
 BUDGETARY BASIS—HEALTH FUND
 FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	Health Fund		
	Budget	Actual	Variance
Health and Welfare	\$ 3,676,348	\$ 1,829,833	\$ 1,846,515
Total Expenditures, Budgetary Basis	\$ 3,676,348	\$ 1,829,833	\$ 1,846,515

**COMANCHE COUNTY, OKLAHOMA
NOTE TO SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

1. Budgetary Schedules

The Comparative Schedules of Expenditures—Budget and Actual—Budgetary Basis for the General Fund and the Health Fund presents 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 Statement of Receipts, Disbursements, and Changes in Cash Balances 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.

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

**COMANCHE COUNTY, OKLAHOMA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

Federal Grantor/Pass-Through Grantor/Program Title	Assistance Listing Number	Pass-Through Grantor's Number	Federal Expenditures
U.S. DEPARTMENT OF INTERIOR			
Direct Grant:			
Payments in Lieu of Taxes	15.226	N/A	\$ 168,319
Refuge Revenue Sharing Act	15.226	N/A	1,194
Total U.S. Department of Interior			<u>169,513</u>
U.S. DEPARTMENT OF AGRICULTURE			
Passed Through the Oklahoma Department of Education:			
School Breakfast Program	10.553	N/A	14,258
National School Lunch Program	10.555	N/A	28,036
Total U.S. Department of Agriculture			<u>42,294</u>
U.S. DEPARTMENT OF JUSTICE			
Passed Through the Oklahoma District Attorneys Council:			
Edward Bryne Memorial Justice Assistance Grant Program	16.738	JAG-LLE-2020	20,977
Direct Grant:			
COVID-19 Coronavirus Emergency Supplemental Funding Program	16.034	N/A	38,584
Total U.S. Department of Justice			<u>59,561</u>
U.S. DEPARTMENT OF TREASURY			
Passed Through the Oklahoma Office of Management and Enterprise Services:			
COVID-19 Coronavirus Relief Fund	21.019	SA-0185	2,584,520
Passed Through the Oklahoma Department of Emergency Management and Homeland Security:			
COVID-19 Coronavirus Relief Fund	21.019	CARES PPE	13,888
Total U.S. Department of Treasury			<u>2,598,408</u>
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES			
Passed Through the Oklahoma Department of Emergency Management:			
Medical Reserves Corps Small Grant Program	93.008	MRC-20	5,248
Total U.S. Department of Health and Human Services			<u>5,248</u>
U.S. DEPARTMENT OF HOMELAND SECURITY			
Passed Through the Oklahoma Department of Emergency Management:			
Disaster Grant - Public Assistance (Presidentially Declared Disasters)	97.036	DR 4438	338,224
Emergency Management Performance Grants	97.042	EMPG-21	40,000
Total U.S. Department of Homeland Security			<u>378,224</u>
Total Expenditures of Federal Awards			<u>\$ 3,253,248</u>

**COMANCHE COUNTY, OKLAHOMA
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

Basis of Presentation

The schedule of expenditures of federal awards includes the federal grant activity of Comanche County and is presented on the *cash basis of accounting*. The information in this schedule is presented in accordance with the requirements of the Uniform Guidance.

Indirect Cost Rate

Comanche County has elected to not use the 10 percent de minimis cost rate allowed for by 2 CFR§ 200.414(f).

Eligible Expenditures Incurred in the Prior Fiscal Year

On March 27, 2020, the President of the United States signs the COVID-19 Relief Bill into law. Comanche County received \$2,598,408 in federal relief funds. The County incurred \$1,007,982 in eligible expenditures in the prior year ending June 30, 2020. These eligible expenditures were from March 8, 2020 through June 30, 2020 and accounted for in the County's June 30, 2020 financial statements. Therefore, expenditures on the schedule of expenditures of federal awards for Assistance Listing Number (ALN) 21.019 – Coronavirus Relief Fund includes \$1,007,982 in eligible expenditures incurred in the fiscal year ending June 30, 2020, and \$1,590,426 in eligible expenditures that were incurred in the fiscal year ending June 30, 2021. The total Coronavirus Relief Fund expenditures reported was \$2,598,408.

INTERNAL CONTROL AND COMPLIANCE SECTION



Independent Auditor's 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
COMANCHE COUNTY, OKLAHOMA

We have audited, 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, the total—all county funds of the accompanying Statement of Receipts, Disbursements, and Changes in Cash Balances of Comanche County, Oklahoma, as of and for the year ended June 30, 2021, and the related notes to the financial statement, which collectively comprise Comanche County's basic financial statement, prepared using accounting practices prescribed or permitted by Oklahoma state law, and have issued our report thereon dated October 3, 2022.

Our report included an adverse opinion on the financial statement because the statement is prepared using accounting practices prescribed or permitted by Oklahoma state law, which is a basis of accounting other than accounting principles generally accepted in the United States of America. However, our report also included our opinion that the financial statement does present fairly, in all material respects, the receipts, disbursements, and changes in cash balances – regulatory basis of the County as of and for the year ended June 30, 2021, on the basis of accounting prescribed by Oklahoma state law, described in Note 1.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statement, we considered Comanche County's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statement, but not for the purpose of expressing an opinion on the effectiveness of Comanche County's internal control. Accordingly, we do not express an opinion on the effectiveness of Comanche County's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described in the accompanying schedule of findings and questioned costs, we identified certain deficiencies in internal control that we consider to be material weaknesses and significant deficiencies.

A *deficiency in internal control* 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 and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. We consider the

deficiencies described in the accompanying schedule of findings and questioned costs to be material weaknesses: 2021-001.

A *significant deficiency* is a deficiency, or combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the deficiencies described in the accompanying schedule of findings and questioned costs to be significant deficiencies: 2021-002.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Comanche County's financial statement is free from 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 financial statement. 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 no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Comanche County's Response to Findings

Comanche County's response to the findings identified in our audit is described in the accompanying schedule of findings and questioned costs. Comanche County's response was not subjected to the auditing procedures applied in the audit of the financial statement and, accordingly, we express no opinion on it.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



CINDY BYRD, CPA
OKLAHOMA STATE AUDITOR & INSPECTOR

October 3, 2022



**Independent Auditor's Report on Compliance for Each Major Federal Program
and Report on Internal Control Over Compliance
Required by the Uniform Guidance**

TO THE OFFICERS OF
COMANCHE COUNTY, OKLAHOMA

Report on Compliance for Each Major Federal Program

We have audited the compliance of Comanche County, Oklahoma, with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on Comanche County's major federal program for the year ended June 30, 2021. Comanche County's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the County's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Comanche County's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of Comanche County's compliance.

Opinion on Each Major Federal Program

In our opinion, Comanche County, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended June 30, 2021.

Report on Internal Control Over Compliance

Management of Comanche County is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Comanche County's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Comanche County's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We identified certain deficiencies in internal control over compliance, as described in the accompanying schedule of findings and questioned costs as items 2021-006 and 2021-007, that we consider to be material weaknesses.

Comanche County's Response to Findings

Comanche County's response to the internal control over compliance findings identified in our audit are described in the accompanying schedule of findings and questioned costs. Comanche County's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.



CINDY BYRD, CPA
OKLAHOMA STATE AUDITOR & INSPECTOR

October 3, 2022

**COMANCHE COUNTY, OKLAHOMA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

SECTION 1—Summary of Auditor’s Results

Financial Statements

Type of auditor's report issued:.....Adverse as to GAAP; unmodified as to regulatory presentation

Internal control over financial reporting:

- Material weakness(es) identified?..... Yes
- Significant deficiency(ies) identified? Yes

Noncompliance material to the financial statement noted? No

Federal Awards

Internal control over major programs:

- Material weakness(es) identified?..... Yes
- Significant deficiency(ies) identified? None reported

Type of auditor's report issued on
compliance for major programs: Unmodified

Any audit findings disclosed that are required to be reported
in accordance with 2 CFR § 200.516(a) of the Uniform Guidance? Yes

Identification of Major Programs

<u>Assistance Listing Number(s)</u>	<u>Name of Federal Program or Cluster</u>
21.019	Coronavirus Relief Fund

Dollar threshold used to distinguish between
Type A and Type B programs: \$750,000

Auditee qualified as low-risk auditee?..... No

**COMANCHE COUNTY, OKLAHOMA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

SECTION 2—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 2021-001 – Lack of County-Wide Internal Controls (Repeat Finding - 2011-001, 2012-001, 2013-001, 2014-001, 2015-001, 2016-001, 2017-001, 2018-001, 2019-001, 2020-001)

Condition: Through the process of gaining an understanding of the County’s internal control structure, it was noted that county-wide internal controls regarding Risk Assessment and Monitoring have not been designed.

Cause of Condition: Policies and procedures have not been designed and implemented to address the risks of the County.

Effect of Condition: Without an adequate system of county-wide controls, there is greater risk of a breakdown in control activities which could result in unrecorded transactions, undetected errors, or misappropriation of funds.

Recommendation: The Oklahoma State Auditor & Inspector’s Office (OSAI) recommends that the County design and implement policies and procedures to document their internal control framework. This documentation should outline the importance of internal controls, the risk that the County has identified, the control activities established to address the risk, the steps taken to properly communicate pertinent information in a timely manner and the methodology to monitor the quality of performance over time. These procedures should be written policies and procedures and could be included in the County’s policies and procedures handbook.

Management Response:

Chairman of the Board of County Commissioners: The Board of County Commissioners will work toward assessing and identifying risks to design written county-wide controls.

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 best practices and may be applied as a framework for an internal control system for state, local, and quasi-governmental entities.

The GAO Standards – Section 1 – Fundamental Concepts of Internal Control – OV1.01 states in part:

Definition of Internal Control

Internal control is a process effected by an entity’s oversight body, management, and other personnel that provides reasonable assurance that the objectives of an entity will be achieved.

**COMANCHE COUNTY, OKLAHOMA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

Additionally, GAO Standards – Section 2 – Establishing an Effective Internal Control System – OV2.04 states in part:

Components, Principles, and Attributes

Control Environment - The foundation for an internal control system. It provides the discipline and structure to help an entity achieve its objectives.

Risk Assessment - Assesses the risks facing the entity as it seeks to achieve its objectives. This assessment provides the basis for developing appropriate risk responses.

Information and Communication - The quality information management and personnel communicate and use to support the internal control system.

Monitoring - Activities management establishes and operates to assess the quality of performance over time and promptly resolve the findings of audits and other reviews.

Finding 2021-002 – Lack of Internal Controls and Noncompliance Over Sales Tax Disbursements (Repeat Finding - 2015-002, 2016-002, 2017-002, 2018-002, 2019-002, 2020-002)

Condition: Based on inquiry of County Officials, observation of the sales tax disbursement process, and the audit of ten (10) sales tax disbursements, the following exceptions were noted:

- County sales tax collections are distributed directly to Comanche County Emergency Management for the rural fire departments, which resulted in these sales tax disbursements not being monitored to determine they were expended in accordance with sales tax ballot.

Cause of Condition: Policies and procedures have not been designed and implemented to ensure compliance with 68 O.S. § 1370E and AG Opinion.

Effect of Condition: This condition resulted in noncompliance with state statute and AG Opinion, and could result in unrecorded transactions, misstated financials reports, undetected errors, and misappropriation of funds.

Recommendation: OSAI recommends the disbursements of County sales tax be expended in such a manner to provide assurance that expenditures are made in accordance with the purposes specified by the ballots as outlined by 68 O.S. § 1370E and AG Opinion 2014 OK AG 15.

Management Response:

Chairman of the Board of County Commissioners: We will work to clarify expenditures of sales tax funds.

**COMANCHE COUNTY, OKLAHOMA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

Criteria: The GAO Standards – Section 2 – Objectives of an Entity - OV2.23 states in part:

Compliance Objectives

Management conducts activities in accordance with applicable laws and regulations. As part of specifying compliance objectives, the entity determines which laws and regulations apply to the entity. Management is expected to set objectives that incorporate these requirements.

Further, GAO Standards – Principle 6 – Define Objectives and Risk Tolerances - 6.05 states:

Definitions of Objectives

Management considers external requirements and internal expectations when defining objectives to enable the design of internal control. Legislators, regulators, and standard setting bodies set external requirements by establishing the laws, regulations, and standards with which the entity is required to comply. Management identifies, understands, and incorporates these requirements into the entity’s objectives. Management sets internal expectations and requirements through the established standards of conduct, oversight structure, organizational structure, and expectations of competence as part of the control environment.

Title 68 O.S. § 1370E, requires the sales tax collections be deposited in the general revenue or sales tax revolving fund of the County and be used only for the purpose for which such sales tax was designated.

Further, AG opinion 2014 OK AG 15 dated 10/31/2014 states:

4. C. As the fiscal agent responsible for superintending the funds of Canadian County, the board of county commissioners is responsible to ensure that the sales tax proceeds are not intermingled and are used exclusively for the purpose expressed in the ballot measure and resolution. The board can direct that the funds be deposited in a dedicated revolving fund and not intermingled with other revenues. Okla. Const. art. X, § 19; 68 O.S. § 2011, § 1370; 19 O.S. Supp. 2013, § 339; 19 O.S. § 2011, § 345; Cavin v. Bd. of County Comm’rs, 1934 OK 245 ~ 11, 33 P.2d 477, 479.

SECTION 3— Independent Auditor's Report on Compliance for Each Major Federal Program and Report on Internal Control Over Compliance Required by the Uniform Guidance

Finding 2021-006 – Lack of County-Wide Internal Controls Over Major Federal Program – Coronavirus Relief Fund

PASS-THROUGH GRANTOR: Oklahoma Office of Management and Enterprise Services and Oklahoma Department of Emergency Management and Homeland Security

FEDERAL AGENCY: U.S. Department of Treasury

**COMANCHE COUNTY, OKLAHOMA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

ASSISTANCE LISTING: 21.019

FEDERAL PROGRAM NAME: Coronavirus Relief Fund

FEDERAL AWARD YEAR: 2021

CONTROL CATEGORY: Activities Allowed or Unallowed; Allowable Costs/Cost Principles; and Period of Performance.

QUESTIONED COSTS: \$-0-

Condition: County-wide internal controls regarding Control Environment, Risk Assessment, Information and Communication, and Monitoring have not been designed.

Cause of Condition: Policies and procedures have not been designed and implemented to ensure the County is in compliance with grant requirements.

Effect of Condition: This condition could result in noncompliance to grant requirements and loss of federal funds.

Recommendation: The Oklahoma State Auditor and Inspector's Office (OSAI) recommends the County implement a system of internal controls to ensure compliance with grant requirements.

Management Response:

Chairman of the Board of County Commissioners: We will work to implement a Risk Assessment plan. We will implement controls to help make sure we are in compliance with all grant requirements and federal funds are expended in accordance with grant agreements and in a timely manner. We will ensure employees have the current and correct compliance supplement to work from.

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 best practices and may be applied as a framework for an internal control system for state, local, and quasi-governmental entities.

Also, The GAO Standards – Section 1 – Fundamental Concepts of Internal Control – OV1.01 states in part:

Definition of Internal Controls

Internal control is a process effected by an entity's oversight body, management, and other personnel that provides reasonable assurance that the objectives of an entity will be achieved.

Additionally, GAO Standards – Section 2 – Establishing an Effective Internal Control System – OV2.04 states in part:

Components, Principles, and Attributes

Control Environment – The foundation for an internal control system. It provides the discipline and structure to help an entity achieve its objectives.

**COMANCHE COUNTY, OKLAHOMA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

Risk Assessment – Assesses the risks facing the entity as it seeks to achieve its objectives. This assessment provides the basis for developing appropriate risk responses.

Information and Communication – The quality information management and personnel communicate and use to support the internal control system.

Monitoring – Activities management establishes and operates to assess the quality of performance over time and promptly resolve the findings of audits and other reviews.

Finding 2021-007 – Lack of Internal Controls Over Major Federal Program – Coronavirus Relief Fund

PASS-THROUGH GRANTOR: Oklahoma Office of Management and Enterprise Services and Oklahoma Department of Emergency Management and Homeland Security

FEDERAL AGENCY: U.S. Department of Treasury

ASSISTANCE LISTINGS NO: 21.019

FEDERAL PROGRAM NAME: Coronavirus Relief Fund

FEDERAL AWARD YEAR: 2021

CONTROL CATEGORY: Activities Allowed or Unallowed; Allowable Costs/Cost Principles; and Period of Performance.

QUESTIONED COSTS: \$-0-

Condition: During the process of documenting the County’s internal controls regarding federal disbursements, we noted that Comanche County has not established procedures to ensure compliance with the following compliance requirements: Activities Allowed or Unallowed; Allowable Costs/Cost Principles; and Period of Performance.

Cause of Condition: Policies and procedures have not been designed and implemented to ensure federal expenditures are made in accordance with federal compliance requirements.

Effect of Condition: This condition could result in noncompliance to grant requirements and could lead to a loss of federal funds to the County.

Recommendation: OSAI recommends the County gain an understanding of requirements for these programs and implement internal control procedures to ensure compliance with requirements.

Management Response:

Chairman of the Board of County Commissioners: The Board of County Commissioners will work with all County Officials to go over all grants and federal monies that Comanche County receives to ensure that proper internal controls are implemented.

**COMANCHE COUNTY, OKLAHOMA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

Criteria: *2 CFR § 200.303 Internal Controls (a)* reads as follows:

The non-Federal entity must:

Establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. These internal controls should be in compliance with guidance in “Standards for Internal Control in the Federal Government” issued by the Comptroller General of the United States or the “Internal Control Integrated Framework”, issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

Further, accountability and stewardship should be overall goals in management's accounting of federal funds. Internal controls should be designed to monitor compliance with laws and regulations pertaining to grant contracts.

APPENDIX A

CORRECTIVE ACTION PLAN

(Prepared by County Management)



Board of County Commissioners

Gail Turner
District 1

Johnny Owens
District 2

Alvin Cargill
District 3

Corrective Action Plan in accordance with 2 CFR § 200.511c for the fiscal year ended June 30, 2021

Finding No.	Title (Financial) or Assistance Listings No. & Program Name (Federal)	Planned Corrective Action	Anticipated Completion Date	Responsible Contact Person
2021-001	County-Wide Internal Controls	The Board of County Commissioners will work towards assessing and identifying risks to establish county-wide internal controls.	7/1/2023	Alvin Cargill, BOCC Chairman
2021-002	Internal Controls and Noncompliance Over Sales Tax Disbursements	The Board of County Commissioners will work to clarify expenditures of sales tax funds.	7/1/2023	Alvin Cargill, BOCC Chairman
2021-006	Assistance Listing Number 21.019 County-Wide Internal Controls Over Major Federal Program – Coronavirus Relief Fund	We will work to implement a Risk Assessment plan. We will implement controls to help make sure we are in compliance with all grant requirements and federal funds are expended in accordance with grant agreements and in a timely manner. We will ensure employees have the current and correct compliance supplement to work from.	7/1/2023	Alvin Cargill, BOCC Chairman
2021-007	Assistance Listing Number 21.019 Internal Controls over Major Federal Program – Coronavirus Relief Fund	The Board of County Commissioners will work with all County Officials to go over all grants and federal monies that the County receives to ensure that proper internal controls are implemented.	7/1/2023	Alvin Cargill, BOCC Chairman

APPENDIX B

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

(Prepared by County Management)



Board of County Commissioners

Gail Turner
District 1

Johnny Owens
District 2

Alvin Cargill
District 3

Summary Schedule of Prior Audit Findings in accordance with 2 CFR § 200.511b for the fiscal year ended June 30, 2021

FINANCIAL AUDIT FINDINGS

Finding 2011-001, 2012-001 2013-001, 2014-001, 2015-001, 2016-001, 2017-001, 2018-001, 2019-001, 2020-001

Lack of County-Wide Internal Controls and Disaster Recovery Plan

Finding Summary: County-wide controls regarding Risk Management and Monitoring have not been designed. The County Commissioners and County Sheriff do not have Disaster Recovery Plans in place for information systems.

Status: Partially Corrected. The County Commissioners and the County Sheriff have a Disaster Recovery Plan in place. However, county-wide controls regarding Risk Management and Monitoring have not been designed.

Finding 2015-002 2016-002 2017-002, 2018-002, 2019-002, 2020-002

Lack of Internal Controls and Noncompliance Over the Sales Tax Disbursement

Finding Summary: County sales tax collections are distributed directly to the Comanche County Fairgrounds, the Comanche County Emergency Management for the rural fire departments, and the Comanche County Industrial Development Authority, which results in these sales tax expenditures not being monitored to determine they are expended in accordance with the sales tax ballot.

Status: Partially Corrected: Corrective action has been taken for the Comanche County Fairgrounds and the Comanche County Industrial Development Authority. However, County sales tax collections are distributed directly to the Comanche County Emergency Management for the rural fire departments.

FEDERAL AUDIT FINDINGS

Finding 2016-021

Lack of Internal Controls Over Major Federal Program-FEMA

Pass-Through Grantor: Oklahoma Department of Emergency Management

Federal Agency: U.S. Department of Homeland Security

Assistance Listings No: 97.036

Federal Program Name: Disaster Grants-Public Assistance (Presidentially Declared Disasters)

Federal Award Year: 2016

Control Category: Activities Allowed or Unallowed; Allowable Costs/Cost Principles; Cash Management; Matching, Level of Effort, Earmarking; Period of Performance of Federal Funds; Procurement and Suspension and Debarment; and Special Tests and Provisions

Questioned Costs: \$-0-



Board of County Commissioners

Gail Turner
District 1

Johnny Owens
District 2

Alvin Cargill
District 3

Finding Summary: Internal Controls over federal disbursements have not been established to ensure compliance requirements are met.

Status: Management does not feel this finding warrants further action because two years have passed since the audit report was submitted to the Federal clearinghouse, the Federal agency or pass-through entity is not currently following up with the County regarding this finding, and a management decision has not been issued.

Finding 2016-022

Lack of County Wide Controls Over Major Federal Programs-FEMA

Pass-Through Grantor: Oklahoma Department of Emergency Management

Federal Agency: U.S. Department of Homeland Security

Assistance Listings No: 97.036

Federal Program Name: Disaster Grants-Public Assistance (Presidentially Declared Disasters)

Federal Award Year: 2016

Control Category: Activities Allowed or Unallowed; Allowable Costs/Cost Principles; Cash Management; Matching, Level of Effort, Earmarking; Period of Performance of Federal Funds; Procurement and Suspension and Debarment; and Special Tests and Provisions

Questioned Costs: \$-0-

Finding Summary: County-wide controls regarding Control Environment, Risk Assessment, Information and Communication, and Monitoring have not been designed.

Status: Management does not feel this finding warrants further action because two years have passed since the audit report was submitted to the Federal clearinghouse, the Federal agency or pass-through entity is not currently following up with the County regarding this finding, and a management decision has not been issued.

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



Cindy Byrd, CPA | State Auditor & Inspector

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