

STATUTORY REPORT

# CUSTER COUNTY COMMISSIONER DISTRICT 2 TURNOVER

December 9, 2012



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



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

**COUNTY OFFICER TURNOVER STATUTORY REPORT  
STEVE TOMPKINS  
CUSTER COUNTY COMMISSIONER  
DISTRICT 2  
DECEMBER 19, 2012**



# Oklahoma State Auditor & Inspector

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

January 18, 2013

BOARD OF COUNTY COMMISSIONERS  
CUSTER COUNTY COURTHOUSE  
ARAPAHO, OKLAHOMA 73632

Transmitted herewith is the Custer County Officer Turnover Statutory Report for December 19, 2012. The engagement was conducted in accordance with 19 O.S. § 171.

The goal of the State Auditor and Inspector is to promote accountability and fiscal integrity in state and local government. Maintaining our independence as we provide this service to the taxpayers of Oklahoma is of utmost importance.

We wish to take this opportunity to express our appreciation for the assistance and cooperation extended to our Office during our engagement.

Sincerely,

A handwritten signature in blue ink that reads "Gary A. Jones".

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



# Oklahoma State Auditor & Inspector

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Mr. Steve Tompkins  
Custer County Commissioner, District 2  
Custer County Courthouse  
Arapaho, Oklahoma 73632

For the purpose of complying with 19 O.S. § 171, we have performed the following procedures for December 19, 2012:

- Verify that equipment items on hand agree with inventory records as per 19 O.S. § 178.1.
- Verify that the amount of total claims approved for the operation of said Office is not in excess of limitations imposed by 19 O.S. § 347.
- Verify that consumable items on hand agree with consumable inventory records maintained per 19 O.S. § 1502.
- Verify that machinery and equipment acquisitions, dispositions, and expenditures are in accordance with 19 O.S. § 333.

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

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

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

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

A handwritten signature in blue ink, appearing to read "Gary A. Jones".

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

December 19, 2012

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**SCHEDULE OF FINDINGS AND RESPONSES**

**Finding 2013-1 – Fixed Asset Inventory Identification Numbers**

**Condition:** The visual verification of fixed asset inventory at the District 2 barn revealed that three items were not marked with the County identification number:

<b>Inventory Number:</b>	<b>Description:</b>	<b>Serial Number:</b>
D-205-0003	Copier	NVH44599
D-420-0010	Pump	001A11N
D-425-0001	Power Saw-Par	1500651

**Cause of Condition:** Inventory items were not marked with the County identification number.

**Effect of Condition:** This condition could result in inventory items not being accurately accounted for and the County's assets may not be safeguarded.

**Recommendation:** OSAI recommends the District mark all equipment with the County identification number.

**Management Response:** Identification numbers have been affixed to the machinery.

**Criteria:** Title 19 O.S. § 178.1 states in part:

The board of county commissioners in each county of this state shall take, or cause to be taken, an inventory of all working tools, apparatus, machinery and equipment belonging to the county or leased or otherwise let to it or to any department thereof, other than that which is affixed to and made a part of lands and buildings, the cost of which as to each complete working unit thereof is more than Five Hundred Dollars (\$500.00), and thereafter maintain or cause to be maintained a continuous inventory record...biennially thereafter, or oftener...

**Finding 2013-2 – Marking of Equipment**

**Condition:** While performing inventory verification at the District 2 barn, the following discrepancies were noted.

- Thirteen of the sixty-seven equipment items were not marked with "Property of Custer County."

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Inventory Number:	Description:
D-301-0027	2006 F250 pick up
D-304-0021	6420 Tractor
D-307-0029	140H Grader
D-307-0031	2012 140M2 Grader
D-316-0001	Garfield Drag Scraper
D-320-0008	Sheepsfoot Roller
D-323-0008	650H Dozer
D-323-0006	Hitachi 200 Excavator
D-348-0008	1987 Trailer
D-348-0012	1996 Lowboy Trailer
D-420-0010	2011 Pump
D-438-0002	W513301 Sprayer
D-441-0039	2008 Rotary Cutter

**Cause of Condition:** Procedures have not been designed and implemented to ensure fixed asset inventory is adequately marked with “Property of Custer County.”

**Effect of Condition:** This condition could result in inventory items not being accurately accounted for and the County’s assets may not be safeguarded.

**Recommendation:** OSAI recommends the County mark all vehicles, road machinery and equipment with “Property of Custer County.”

**Management Response:** Equipment has been marked with “Property of Custer County” labels.

**Criteria:** Title 69 O.S. § 645 states in part:

The board of county commissioners shall cause each piece of county-owned, rented or leased road machinery and equipment, and each automobile and truck, to be marked in accordance with the provisions of this section. County-owned automobiles, trucks, road machinery and equipment shall be conspicuously and legibly marked LEASED BY (name of county) COUNTY, on each side, in upper case letters, on a background of sharply contrasting colors.

**Finding 2013-3 – Consumable Inventory**

**Condition:** During the verification of consumable inventory, five of the eleven consumable items counted, were not accurately reflected on the consumable stock records.

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<b>Consumable Item:</b>	<b>Amount Recorded on Card:</b>	<b>Amount Counted:</b>
24" Culvert pipe	175 feet	160 feet
8" Channel steel	560 feet	880 feet
9 5/8" Pipe piling	1,350.87 feet	1,511.58 feet
12"x 12" H-beam steel	55 feet	115 feet
18" Interlocking sheeting	3,276 feet	2,871 feet

**Cause of Condition:** Procedures have not been designed and implemented accurately account for consumable inventories.

**Effect of Condition:** Opportunities for loss and misappropriation of county assets may be more likely to occur when the District does not have procedures in place to accurately account for consumable inventories.

**Recommendation:** OSAI recommends management implement internal controls to ensure compliance with 19 O.S. § 1502.

**Management Response:** Inventory of consumable items will be taken.

**Criteria:** Title 19 O.S. § 1502 states, in part:

- “1. The Board of County Commissioners or a designated employee shall:
  - A. prescribes a uniform identification system for all supplies, materials and equipment of a county used in the construction and maintenance of roads and bridges.



OFFICE OF THE STATE AUDITOR AND INSPECTOR

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