



GRADY COUNTY COMMISSIONER DISTRICT 1 TURNOVER

Statutory Report

December 5, 2022

Cindy Byrd, CPA
State Auditor & Inspector

**COUNTY OFFICER TURNOVER STATUTORY REPORT
MICHAEL WALKER
GRADY COUNTY COMMISSIONER
DISTRICT 1
DECEMBER 5, 2022**

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.



March 21, 2023

BOARD OF COUNTY COMMISSIONERS
GRADY COUNTY COURTHOUSE
CHICKASHA, OKLAHOMA 73018

Transmitted herewith is the Grady County Commissioner District 1 Officer Turnover Statutory Report for December 5, 2022. The engagement was conducted in accordance with 19 O.S. § 171.

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

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

Sincerely,

A handwritten signature in blue ink that reads "Cindy Byrd".

CINDY BYRD, CPA
OKLAHOMA STATE AUDITOR & INSPECTOR



Michael Walker
Grady County Commissioner, District 1
Grady County Courthouse
Chickasha, Oklahoma 73018

For the purpose of complying with 19 O.S. § 171, we have performed the following procedures for December 5, 2022:

- Verify that equipment items on hand agree with inventory records maintained per 19 O.S. § 178.1 and 19 O.S. § 178.2.
- Verify that consumable items on hand agree with consumable inventory records maintained per 19 O.S. § 1502.
- Verify that the amount of total claims approved for the operation of said Office is not in excess of limitations imposed by 19 O.S. § 347.

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

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

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

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

CINDY BYRD, CPA
OKLAHOMA STATE AUDITOR & INSPECTOR

January 11, 2023

**COUNTY OFFICER TURNOVER STATUTORY REPORT
MICHAEL WALKER
GRADY COUNTY COMMISSIONER, DISTRICT ONE
DECEMBER 5, 2022**

SCHEDULE OF FINDINGS AND RESPONSES

Finding 2023-001 – Lack of Internal Controls and Noncompliance over Fixed Assets and Consumable Inventories

Condition: In the observation of records and the visual verification of fixed assets, the following was noted:

- Thirty-one (31) items were not properly identified with a county identification number or had inaccurate numbering:
 - Inventoried item number D441-0018 was placed on the equipment as item number D414-0018.
 - Inventoried item number D399-0041 was placed on the equipment as item number D332-0005.
 - Inventoried item number D332-015, a 2017 Track Loader was traded in 2019, but still listed on the County inventory.

- The following twenty-eight (28) items were not marked with a county identification number: D213-0004, D214-0001, D218-0006, D218-0007, D218-008, D218-0007, D302-0060, D331-0001, D343-0004, D360-0001, D360-0002, D399-045, D410-0001, D411-0001, D413-004, D420-007, D421-0001, D421-0005, D421-0006, D441-0022, D441-0023, D443-0019, D443-0020, D444-0004, D444-0005, D601-0022, D601-0023, D601-0026.

- One (1) item could not be located:
 - Item D302-0076, a 2016 Mack Truck (last 5 serial number 22091): It was reported by the County Commissioner, to be in repair shop in Oklahoma City.

Further, an accurate consumable inventories list is not maintained by the County Commissioner. In the observation of records and the visual verification of consumable inventories, there were discrepancies between the quantities reported and the quantities verified for the following:

Consumable Item	Quantity Reported	Quantity Verified	Variance
Tires:			
LT235/80R17	3	6	3
ST225/75R15	0	1	1
255/70R19.5	0	6	6
215/75R17.5	12	3	<9>
1124.5 Driver Tires	24	15	<9>
1122.5 Driver Tires	16	8	<8>
1124.5 Steering Tires	20	22	2
1122.5 Steering Tires	12	6	<6>
10 Ply 225 Trailer Tires	2	0	<2>
17.5/25 Grader Tires	<1>	5	6

**COUNTY OFFICER TURNOVER STATUTORY REPORT
MICHAEL WALKER
GRADY COUNTY COMMISSIONER, DISTRICT ONE
DECEMBER 5, 2022**

Consumable Item	Quantity Reported	Quantity Verified	Variance
1400.24 Grader Tires	2	4	2
14.9-24 Galaxy EZ Rider R4	2	4	2
420/85R38 Perf Evo R1W	2	0	<2>
7.5 15/14 Tractor Tire	3	0	<3>
Tinhorns/Plastic Pipe:			
30"x 20' Poly Pipe	2	.5	<1.5>
20" x 20' Poly Pipe	1	0	<1>
18" x 20' Poly Pipe	0	1	1
5" x 4' x 30' Steel Tinhorn	1	0	<1>
18" x 30' Steel Tinhorn	0	1	1
4' x 20' Poly Pipe	1	2	1
5' x 20' Poly Pipe	2	1	<1>
12" x 89.9 Feet Pipe	1	0	<1>
36" x 160.2 Feet Pipe	1	.25	<.75>
24" x 160 Feet Pipe	1	.75	<.25>
12" x 1/4 Steel Pipe	1	2	1
12" x 3/8 Steel Pipe	1	12	11
Grader Blades	30	22	<8>
I-Beams:			
6 1/2 x 6 13'	1	0	<1>
6 1/2 x 6 30'	1	0	<1>
10" x 7'	5	0	<5>
66" x 10"	1	0	<1>
6" x 30'	3	0	<3>
6" x 18'	1	0	<1>
24" x 40'	4	3	<1>
12.5" x 30'	8	0	<8>
10" x 29'	5	2	<3>
12 x 28'	4	2	<2>
12 x 40'	1	0	<1>
12 x 28'	3	0	<3>
12 x 29'	3	0	<3>
15" x 17'	2	3	1
24" x 30'	5	4	<1>

COUNTY OFFICER TURNOVER STATUTORY REPORT
MICHAEL WALKER
GRADY COUNTY COMMISSIONER, DISTRICT ONE
DECEMBER 5, 2022

- Seven (7) items were on-hand but were not reported on consumable inventory records.

Consumable Item
Gravel
Interlocking Sheets
8" x 25' I-Beam
8" x 1/4 Steel Pipe
5' x 30 Poly Pipe
16" 1/4 Steel Pipe
42" x 20' Poly Pipe

Cause of Condition: Policies and procedures have not been adequately designed and implemented by county offices/departments to ensure the accurate reporting of fixed assets, and consumable inventory items, as well as adequate procedures to ensure equipment is properly identified in accordance with state statutes.

Effect of Condition: These conditions resulted in noncompliance with state statutes. Opportunities for loss and misappropriation of county assets may be more likely to occur when the County does not have procedures in place to account for fixed assets. Additionally, when consumable inventory items are not adequately documented, and inadequate segregation of duties exist, the opportunity for the misappropriation and undetected errors could result.

Recommendation: The Oklahoma State Auditor & Inspector's Office recommends the County Officers implement internal controls to ensure compliance with 19 O.S. § 178.1, 19 O.S. § 1502(A)(1), 19 O.S. § 1502(B)(1), 19 O.S. § 1504, and 69 O.S. § 645, regarding fixed assets and consumable inventory records. Annual counts of fixed assets should be on file with the County Clerk in accordance with state statutes.

Management Response: Management chose not to respond.

Criteria: Accountability and stewardship are overall goals of management in the accounting of funds. An important aspect of internal controls is the safeguarding of assets. Internal controls over safeguarding of assets constitute a process, affected by an entity's governing body, management, and other personnel, designed to provide reasonable assurance regarding prevention or timely detection of unauthorized transactions and safeguarding assets from misappropriation.

Title 19 O.S. § 178.1, which requires the board of county commissioners in each county of this state to take or cause to be taken, an inventory of all working tools, apparatus, machinery and equipment.

Title 69 O.S. § 645, all county owned, rented, or leased road machinery or equipment be clearly and visibly marked "Property Of ..."

Title 19 O.S. § 1502(A)(1), which requires a prescribed uniform identification system for all supplies, materials, and equipment of a county used for maintenance for roads and bridges.

**COUNTY OFFICER TURNOVER STATUTORY REPORT
MICHAEL WALKER
GRADY COUNTY COMMISSIONER, DISTRICT ONE
DECEMBER 5, 2022**

Title 19 O.S. § 1502(B)(1) which requires a prescribed uniform identification system for all supplies, materials, and equipment of a county not used in the construction and maintenance for roads and bridges.

Title 19 O.S. § 1504 which requires the receiving officer to maintain a record of all items received, disbursed, stored and consumed by the department.

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



Cindy Byrd, CPA | State Auditor & Inspector

2300 N. Lincoln Blvd., Room 123, Oklahoma City, OK 73105 | 405.521.3495 | www.sai.ok.gov