

STATUTORY REPORT

# GRADY COUNTY SHERIFF TURNOVER

December 20, 2012

A photograph of the Oklahoma State Capitol dome, showing the top portion of the structure with its columns and the statue on top, set against a blue sky with white clouds.

*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**  
**ART KELL**  
**GRADY COUNTY SHERIFF**  
**DECEMBER 20, 2012**

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This publication, issued by the Oklahoma State Auditor and Inspector's Office as authorized by 19 O.S. § 171, has not been printed, but is available on the agency's website ([www.sai.ok.gov](http://www.sai.ok.gov)) and in the Oklahoma Department of Libraries Publications Clearinghouse Digital Collection, pursuant to 74 O.S. § 3105.B.



# 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 22, 2013

BOARD OF COUNTY COMMISSIONERS  
GRADY COUNTY COURTHOUSE  
CHICKASHA, OKLAHOMA 73108

Transmitted herewith is the Grady County Officer Turnover Statutory Report for December 20, 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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Art Kell  
Grady County Sheriff  
Grady County Courthouse  
Chickasha, Oklahoma 73018

For the purpose of complying with 19 O.S. § 171 we have performed the following procedures for December 20, 2012:

- Verify that the equipment items on hand agree with the 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 the Office is not exceeding the maximum amount of cash authorized for their change needs per 19 O.S. § 682.
- Verify that a monthly report of the Office is on file with the County Clerk per 19 O.S. § 684.
- Verify that the Officers' depository account balances reconcile with the County Treasurer's records and that undeposited cash reconciles to receipts.

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.

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

January 15, 2013

**COUNTY OFFICER TURNOVER STATUTORY REPORT**  
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**GRADY COUNTY SHERIFF**  
**DECEMBER 20, 2012**

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**SCHEDULE OF FINDINGS AND RESPONSES**

**Finding 2013-1—Incomplete Fixed Asset Inventory**

**Condition:** At present, we noted the following:

- No inventory items were identified with the County ID number label and all had to be identified with serial numbers and/or other information provided.
- Inventory cards contain little more than a short description and often lack pertinent information such as: County ID #, Make, Model, Serial Number, or Location. This lack of information on the inventory listing makes the identification of specific equipment items difficult, at best, or even impossible. In many cases, several items, often when jointly purchased, would be grouped together on one inventory card. For example, one inventory card may say “Four Cars,” or “Three Computers,” with no further information to differentiate.

However, separate from the general inventory listing, a specific list has been developed to solely track vehicles and weapons issued to specific deputies, and also weapons contained in the vault. Although no County ID number labeling system was used, this list was proven accurate with all vehicles and weapons thereon verified by serial number.

- The following items from inventory listing could not be verified:

<b>Description as per Inventory List</b>	<b>County ID #</b>	<b>Serial Number</b>
Dell Inspiron 620 Computer	B-201-B4-3	None
Video Security Camera	B-20	None
Desktop Computer	B-218	None
Laptop Computer	B-3	CF29LWQN
LED Light bar	None	None
Computers (Laptops) - Panasonic	B-218	None
Computer Desktop - Optiflex, Dell 760	None	None
Laptop Computer Toshiba	B-218	None
Computers HP (2), Dell (1)	None	None
Radio PM400, \$799.00	None	None
Stalker Radar, \$599.00	B-443-01	None
Mobile Radar Unit Stalker	None	KA-1821
Mobile Radar Unit Stalker	None	KA-4325-2287
Mobile Radar Unit Stalker	None	KA-2562-3354

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Description as per Inventory List	County ID #	Serial Number
Mobile Radar Unit Stalker	None	KA-9598-41567
Mobile Radar Unit Stalker	None	KA-4525-1765
Computer Laptop - Panasonic	None	CF-29LWQNZBM
Desktop Computer Dell Inspiron	None	X16-96072

- The following items were located, but could not be traced to inventory listing.

Description	County ID #	Serial Number
Dell Inspiron 560 Computer	None	IV5VF3MN1
Dell Inspiron Computer	None	4PJVKS1
Dell Inspiron Computer	None	6Q688P1
LENOVO - Computer	None	ES09728737
HP 1200 Computer	None	2UA52111QL
Camera - Sony	None	3508017
Camera - Canon EOS	None	3140629511
Dell Computer	None	275CLN1
Dell Computer	None	7K34PM1
HP Computer	None	MXL7360D38
Gateway – Laptop Computer	None	N1B8591001539
Toshiba – Laptop Computer	None	64146561Q
HP – Laptop Computer	None	CNU5111CDV
Dell – Laptop Computer	None	0001421C-12800-88R

**Cause of Condition:** Policies and procedures over equipment inventories have not been designed and implemented to ensure proper tracking and labeling.

**Effect of Condition:** A system to maintain and track equipment items becomes ineffective.

**Recommendation:** OSAI recommends that management implement controls to comply with 19 O.S. § 178.1. We also recommend that the County Sheriff perform an annual inventory count and retain documentation to verify the physical inventory counts are performed. We further recommend the following:

- Where possible, County Identification Number labels should be attached or stenciled to equipment items to assist in identification and control of county-owned property.

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- Inventory records should be further developed to contain more complete, basic information of an equipment item such as: Description, County Identification Number, Make, Model, and Serial Number. Other helpful information may include: Location, To Whom Issued, Vendor, Cost, Date of Purchase, and Purchase Order Number.
- Each inventory card should be used to record information pertaining to only one equipment item instead of a group of similar items.
- Equipment inventory information should be periodically reviewed, reconciled, and updated to detect errors and maintain an accurate inventory record.

**Management Response:**

**Incoming County Sheriff:** This is a problem that I inherited when I took office. I will ensure that fixed asset records are corrected and that periodic inventories are performed.

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

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—Not Depositing Daily/No Receipts Issued**

**Condition:** The Sheriff is not depositing daily into the official depository. Also, no receipts are being issued for monies received.

**Cause of Condition:** Policies and procedures have not been designed and implemented over the receipting and depositing process.

**Effect of Condition:** This condition could result in undetected errors or misappropriation of funds.

**Recommendation:** OSAI recommends that all monies received be receipted and deposited daily.

**Management Response:**

**Incoming County Sheriff:** This is a problem that I inherited when I took office. I will ensure that receipts are issued for all monies collected under color of office and deposited with the County Treasurer on a daily basis.

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**Criteria:** Effective accounting procedures are necessary to ensure stewardship and accountability of public funds. Title 19 O.S. § 682 requires officers to deposit daily in the official depository all collections received under the color of office.





OFFICE OF THE STATE AUDITOR AND INSPECTOR

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