



HARPER COUNTY COMMISSIONER DISTRICT 1

Officer Turnover Statutory Report

December 27, 2018

Cindy Byrd, CPA
State Auditor & Inspector

**COUNTY OFFICER TURNOVER STATUTORY REPORT
CODY HICKMAN
HARPER COUNTY COMMISSIONER
DISTRICT 1
DECEMBER 27, 2018**

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Cindy Byrd, CPA | State Auditor & Inspector

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January 28, 2019

BOARD OF COUNTY COMMISSIONERS
HARPER COUNTY COURTHOUSE
BUFFALO, OKLAHOMA 73834

Transmitted herewith is the Harper County Officer Turnover Statutory Report for December 27, 2018. 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



Cody Hickman
Harper County Commissioner, District 1
Harper County Courthouse
Buffalo, Oklahoma 73834

For the purpose of complying with 19 O.S. § 171, we have performed the following procedures for December 27, 2018.

- Verify that equipment items on hand agree with inventory records maintained per 19 O.S. § 178.1.
- 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.
- 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

December 27, 2018



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SCHEDULE OF FINDINGS AND RESPONSES

Finding 2019-001 – Insufficient Internal Controls and Noncompliance Over Fixed Assets and Consumable Inventories

Condition: Upon inquiry and observation of fixed assets records and consumable inventory items, the following weaknesses were noted:

- Twenty-five (25) items from the listing did not have an inventory number affixed to the asset.
- Twelve (12) items were not properly marked as “Property of” on both sides.
- One (1) item was transferred and remains on inventory with no record of disposal.

301-430-120	Land Pride	Mower/Brush Beater
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- Two (2) items were unable to be located.

Item number	Brand	Description
301-444-100	Pinnacle	Refrigerant Recovery System
301-445-100	Ingersol-Rand	Air Impact Wrench

- District 1 office did not reconcile fuel usage to the inventory record.

Cause of Condition: Policies and procedures have not been designed and implemented to accurately identify inventory, maintain accurate inventory records, and safeguard fixed assets and consumable inventory.

Effect of Condition: These conditions could result in inaccurate fixed asset and consumable inventory records and misuse or loss of fixed assets or consumable inventory records.

Recommendation: The Oklahoma State Auditor & Inspector’s Office recommends management implement internal controls to ensure the safeguarding of assets. These controls would include:

- Retain documentation to verify the physical inventory counts were performed.
- Have someone other than the inventory officer perform inventory counts.
- File inventory records with the County Clerk.
- Identify equipment as property of the County when required.
- Attach assigned inventory numbers to all equipment.
- Reconcile fuel usage to inventory records.

OSAI also recommends management implement policies and procedures to ensure compliance with Title 19 O.S. § 421.2 (A) regarding the transfer of equipment to another political subdivision.

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Management Response:

Outgoing County Commissioner: We will look into the missing items. We will attach inventory numbers to inventory items as well as “Property of” designation stickers where appropriate.

Criteria: 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 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 19 O.S. § 421.2 (A) requires a unanimous vote of the board of county commissioners to transfer machinery, equipment, or vehicle belonging to the county to a political subdivision of the state. Upon such transfer, the subject property shall be removed from the inventory of the county.

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

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



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