

LOGAN COUNTY

**COUNTY CLERK
TURNOVER**

DECEMBER 30, 2008

**STATUTORY
REPORT**



Oklahoma State Auditor
& Inspector

**COUNTY OFFICER TURNOVER STATUTORY REPORT
MARY LOU ORNDORFF
LOGAN COUNTY CLERK
DECEMBER 30, 2008**

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STATE AUDITOR AND INSPECTOR

STEVE BURRAGE, CPA
State Auditor

MICHELLE R. DAY, ESQ.
Chief Deputy



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February 9, 2009

BOARD OF COUNTY COMMISSIONERS
LOGAN COUNTY COURTHOUSE
GUTHRIE, OKLAHOMA 73044

Transmitted herewith is the Logan County Clerk, Officer Turnover Statutory Report for December 30, 2008. The engagement was conducted in accordance with 19 O.S. § 171.

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

The Office of the State Auditor and Inspector is committed to serve the public interest by providing independent oversight and to issue reports that serve as a management tool to the state to ensure a government which is accountable to the people of the State of Oklahoma.

Sincerely,

A handwritten signature in blue ink that reads "Steve Burrage". The signature is written in a cursive, flowing style.

STEVE BURRAGE, CPA
STATE AUDITOR & INSPECTOR

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Mary Lou Orndorff
Logan County Clerk
Logan County Courthouse
Guthrie, Oklahoma 73044

For the purpose of complying with 19 O.S. § 171, we have performed the following procedures for December 30, 2008:

- 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 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, the amount of total claims approved for the operation of said Office was not in excess of limitations; the Office was not exceeding the maximum amount of cash authorized for their change needs; a monthly report of the Office is on file with the County Clerk; and undeposited cash reconciled to receipts. With respect to segregation of duties, equipment items on hand agreeing with inventory records, and Officer Depository account balances, our findings are included in the accompanying schedule of findings and responses.

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 that reads "Steve Burrage". The signature is written in a cursive, flowing style.

STEVE BURRAGE, CPA
STATE AUDITOR AND INSPECTOR

January 6, 2009

**COUNTY OFFICER TURNOVER STATUTORY REPORT
MARY LOU ORNDORFF
LOGAN COUNTY CLERK
DECEMBER 30, 2008**

SCHEDULE OF FINDINGS AND RESPONSES

Finding 2009-1 – Segregation of Duties

Criteria: Accountability and stewardship are overall goals in evaluating management's accounting of funds. To help ensure a proper accounting of funds, the duties of receiving, receipting, recording, depositing cash and checks, reconciliations, and transaction authorization should be segregated.

Condition: Based on inquiries of County personnel and test work performed, it was noted that receiving, receipting, recording, depositing cash and checks, reconciliations, and transaction authorization within the County Clerk's office were not properly segregated to assure adequate internal control structure.

Effect: This condition could result in unrecorded transactions, misstated financial reports, undetected errors, or misappropriation of assets.

Recommendation: OSAI recommends management be aware of these conditions and realize the concentration of duties and responsibilities in a limited number of individuals is not desired from a control point of view. The most effective controls lie in management's knowledge of office operations and a periodic review of operations.

Views of responsible officials: New management will implement procedures to ensure corrective action is taken.

Finding 2009-2 – Lack of Inventory

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 therefore maintain or cause to be maintained a continuous inventory record thereof and of like tools, apparatus, machinery and equipment purchased, leased, or otherwise coming into custody of the county or of any office, board, department, commission or any or either thereof, and the disposition thereof whether sold, exchanged, leased, or let where authorized by statute, junked, strayed or stolen, and biennially thereafter..."

Condition: It was determined that the inventory records were incomplete, inaccurate and not updated. Also, inventory cards are not properly maintained to include the status of equipment (traded, junked, sold, etc.). Following are the items that were traded-in or disposed of in prior years, but have not been deleted from the inventory listing:

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| Item Number | Model/Description | Cost |
|-------------|--|------------|
| 42F-104-13 | #5039020—2 drawer lateral file cabinet | \$881.25 |
| 42F-105-21 | #8040L—Desk | \$529.00 |
| 42F-105-22 | #8040L—Desk | \$529.00 |
| 42F-109-03 | Storage Cabinet Wood Formica Top | \$765.00 |
| 42F-200-12 | Copier | \$6,739.00 |
| 42F-209-07 | #XCA183D—Serial #0393B74219—Air conditioner | \$622.00 |
| 42F-215-05 | Postage machine | \$4,695.00 |
| 42F-225-01 | #VGA-1442—Serial #2013201345—Personal computer | \$1,214.00 |

Effect: The lack of an accurate inventory record could result in unrecorded transactions and misappropriation of assets.

Recommendation: OSAI recommends management periodically perform inventory counts to determine all equipment is properly accounted for. OSAI also recommends management present a biennial inventory listing to the Board of County Commissioners to be filed with the County Clerk.

Views of responsible officials: New management will implement procedures to ensure corrective action is taken.

Finding 2009-3 – Official Depository Reconciliations

Criteria: A goal of effective internal controls is to demonstrate accountability and stewardship. Reconciliations should be performed of accounting records to the County Treasurer's records. The reconciliation is an important process in ensuring the accuracy of accounting records and ensuring that all monies are accounted for. Supervisory review is an integral part of ensuring that established office policies and procedures are being followed.

Condition: It appears the County Clerk does not reconcile her official depository Lien Fee Account balances to the County Treasurer.

Effect: By not reconciling account balances to the County Treasurer, the risk of possible misappropriation of funds, errors going undetected, and possible impropriety increases.

Recommendation: OSAI recommends the County Clerk reconcile all official depository accounts to the County Treasurer on a monthly basis and that reconciliations be reviewed and approved by someone other than the preparer.

Views of responsible officials: New management will implement procedures to ensure corrective action is taken.



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