

STATUTORY REPORT

MAYES COUNTY COURT CLERK TURNOVER

July 30, 2013



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

**COUNTY OFFICER TURNOVER STATUTORY REPORT
LORI PARSONS
MAYES COUNTY COURT CLERK
JULY 30, 2013**

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Oklahoma State Auditor & Inspector

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January 7, 2014

BOARD OF COUNTY COMMISSIONERS
MAYES COUNTY COURTHOUSE
PRYOR CREEK, OKLAHOMA 74361

Transmitted herewith is the Mayes County Officer Turnover Statutory Report for July 30, 2013. 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, appearing to read "Gary A. Jones". The signature is fluid and cursive, with a long horizontal stroke at the end.

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



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Lori Parsons
Mayes County Court Clerk
Mayes County Courthouse
Pryor Creek, Oklahoma 74361

For the purpose of complying with 19 O.S. § 171, we have performed the following procedures for July 30, 2013:

- 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, 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

July 30, 2013

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SCHEDULE OF FINDINGS AND RESPONSES

Finding 2013-01—Fixed Assets Inventory

Condition: Based on testwork performed, it appears that the Mayes County Court Clerk’s office is not maintaining up-to-date, accurate inventory records. The following deficiencies were observed:

- Although the Court Clerk’s office maintains a periodically updated SA&I Form 3512 “Summary Report”, the inventory is summarized and is not presented in an itemized fashion that would enable assets to be individually identified and traced to asset tag numbers.
- Upon receiving an itemized inventory listing, we noted that out of a total of 788 items,
 - 3 items had assets tag numbers that were used multiple times.
 - 1 item was described erroneously in the inventory listing as another item.
 - A total of 17 assets that were visually confirmed and appeared to have a value of over \$500 were not included on the printed inventory listing.

Cause of Condition: Procedures have not been designed to implement internal controls over the safeguarding of fixed assets by performing an annual physical inventory count and maintaining fixed assets inventory records. Procedures have not been designed to ensure equipment is marked with county identification numbers and “Property of Mayes County.”

Effect of Condition: When documentation of an annual inventory count is not maintained and duties are not adequately segregated, there is opportunity for misuse or loss of equipment. Additionally, when equipment is not marked with county identification numbers and “Property of Mayes County,” opportunities for misuse or loss of equipment can occur.

Recommendation: OSAI recommends that management implement controls to comply with 19 O.S. § 178.1. We also recommend that the Mayes County Court Clerk’s Office perform an annual inventory count and retain documentation to verify the physical inventory counts are performed.

Management Response:

Court Clerk: The Court Clerk’s office will thoroughly check inventory before the next audit.

Criteria: Title 19 § 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 thereof and of like tools, apparatus, machinery and equipment purchased, leased, or otherwise coming into the custody of the county or of

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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 annually thereafter, or oftener in event of death, resignation or removal of an elective officer with a term, to verify or cause to be verified by count and report of the same as of the end of a term of office.”



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