

**McINTOSH
COUNTY
SHERIFF
TURNOVER
AUGUST 16, 2010**

**STATUTORY
REPORT**



Oklahoma State Auditor
& Inspector

**COUNTY OFFICER TURNOVER STATUTORY REPORT
MIKE DANIELS
McINTOSH COUNTY SHERIFF
AUGUST 16, 2010**

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STATE AUDITOR AND INSPECTOR

STEVE BURRAGE, CPA
State Auditor

MICHELLE R. DAY, ESQ.
Chief Deputy



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October 25, 2010

BOARD OF COUNTY COMMISSIONERS
McINTOSH COUNTY COURTHOUSE
EUFAULA, OKLAHOMA 74432

Transmitted herewith is the McIntosh County Sheriff Turnover Report for August 16, 2010. 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".

STEVE BURRAGE, CPA
STATE AUDITOR & INSPECTOR

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Mike Daniels
McIntosh County Sheriff
McIntosh County Courthouse
Eufaula, Oklahoma 74432

For the purpose of complying with 19 O.S. § 171, we have performed the following procedures for August 16, 2010:

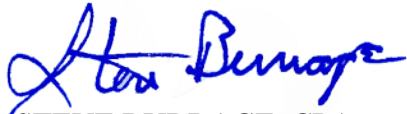
- Verify that equipment items on hand agree with inventory records as per 19 O.S. § 178.1.
- Verify that the amount of total claims approved for the operation of said Office is not in excess of limitations imposed by 19 O.S. § 347.
- Verify that a monthly report of the Office is on file with the County 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, with respect to items tested, the amount of total claims approved for the operation of said Office was not in excess of limitations; a monthly report of the Office is on file with the County Clerk; the Officers' depository account balances reconciled with the County Treasurer's records and undeposited cash reconciled to receipts. With respect to equipment on hand agreeing with inventory records, our finding is presented in the accompanying schedule of findings and responses. In addition, we noted other matters with respect to county-owned equipment, which are presented in the 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.



STEVE BURRAGE, CPA
STATE AUDITOR & INSPECTOR

September 29, 2010

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SCHEDULE OF FINDINGS AND RESPONSES

Finding 2011-1 – Inventory records

Criteria: 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 acquisition, use, or disposition of the entity's assets and safeguard assets from loss, damage, or misappropriation.

Title 19 O.S. § 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...biennially thereafter, or oftener...

Title 19 O.S. § 421 states:

From and after the effective date of this act, each board of county commissioners of the several counties in the state shall within thirty (30) days after the disposition of any tools, apparatus, machinery, and equipment belonging to the county or leased or otherwise let to it or any department thereof, the original cost of which is more than Five Hundred Dollars (\$500.00), whether sold, exchanged, junked, leased or let where authorized by statute, shall enter, or cause to be entered, in the minutes of the proceedings of the board the fact of such disposition, including complete description of item, serial number, the date property was acquired, the name and address of the person or firm from whom property was acquired, the cost price at time of acquisition or contract price if acquired under lease-rental agreement, the date of disposition, the name and address of the person or firm to whom property transferred, the price received therefor and the reason for disposition.

Condition: It was noted that the Sheriff does not maintain an up-to-date inventory listing of all office furniture and equipment with a cost of more than Five Hundred Dollars (\$500.00), county equipment was not marked with ID numbers, 18 items could not be located, and 3 items were disposed and/or junked without approval from the Board of County Commissioners.

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The following 18 items could not be located:

County ID#	Description	Serial #
B218-01	Computer, Key	931-D2900843LMATK
B218-03	Computer	29733380
B218-04	Computer	29730634
B218-05	Monitor	GL619A302002434
B218-06	CPU & Monitor	KR004PJR47602153AZ
B218-07	Printer	JPGL026384
B218-08	Computer	GCJ7310006984/WAL
B218-09	Computer	GCJ7310002995/WAL
B218-10	HP SB DC5800	SCN815PVK4SMXM
B218-11	Printer	TB90188
B220-04	Lap Top	3FKYA27359
B610-07	Range	01035R535R
B610-19	Thermal Eye X	35065
B614-1	Video Camera	N/A
B614-2	Video Camera	N/A
B614-3	DVR	760097
B614-4	Car Video Syst	DV1M/210857
B614-5	Car Video Syst	DV-1M-210855

The following 3 items had been wrecked and/or junked:

B301-09	Pickup	1FTPW12576KB69201
B331-03	Car	1G1BL5172KR165869
B331-54	Car	2FAFP71W05X126309

Effect: Inventory items were not accurately accounted for and the Sheriff's inventory may not be safeguarded.

Recommendation: OSAI recommends that the Board of County Commissioners cause a biennial inventory to be taken of all working tools, apparatus, machinery, and equipment belonging to the County that cost more than Five Hundred Dollars (\$500.00) and that these items have identification numbers affixed. We also recommend that the disposal of county-owned equipment be made by resolution of the Board of County Commissioners and that inventories be documented on Form #3512.

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Views of responsible officials and planned corrective actions: Sheriff Ledbetter stated that the current administration will continue efforts to locate items discovered missing during the recent turnover. The current administration will also begin affixing identification numbers to all items on inventory in their possession. Additionally, regularly scheduled inventories of these items will be conducted.

Finding 2011-2 – Personal Use of County-Owned Equipment

Criteria: An 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 acquisition, use, or disposition of the entity's assets and safeguard assets from loss, damage, or misappropriation. The McIntosh County Personnel Policy Handbook states the following with regard to the use of county-owned equipment:

No County official or employee may use any County property for his or her own personal use or for any other use not required by their duties with McIntosh County. County Property includes: any property owned, or in the custody of McIntosh County.

Condition: The following was noted:

- The Sheriff's travel trailer, County ID number B613-01, Serial Number 1NL1GTR2961078389, located at the Texanna volunteer fire department and community center, is being used as a personal residence.
- A Panasonic Tuff-Book Lap Top Computer, County ID number B220-04, Ser. Number 3FKYA27359, could not be located. Upon inquiry of the County Sheriff and his staff, it was noted that, under the previous administration, the laptop had been loaned to a private citizen. Subsequent to fieldwork performed on August 16, 2010, the laptop was returned and is now in the possession of the County Sheriff's office.

Effect: The County's assets are being used inappropriately according to county policy.

Recommendation: OSAI recommends that the County adhere to the personnel policy regarding county-owned equipment.

Views of responsible officials and planned corrective actions: The title for travel trailer B-613-01, purchased by the previous administration for use as a mobile command post, has been transferred by the Board of County Commissioners to McIntosh County Emergency Services and will be tracked as item # EMS-348-04. Its apparent use as a residence has also been addressed by the Board of County Commissioners and discontinued. Lap Top Computer #B220-04 was recovered (undamaged) with all

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accessories. It will not be the policy of the current administration to loan county-owned equipment to private citizens.

Finding 2011-3 – Donating and/or Trading County-Owned Equipment

Criteria: Title 19 O.S. § 421 states:

From and after the effective date of this act, each board of county commissioners of the several counties in the state shall within thirty (30) days after the disposition of any tools, apparatus, machinery, and equipment belonging to the county or leased or otherwise let to it or any department thereof, the original cost of which is more than Five Hundred Dollars (\$500.00), whether sold, exchanged, junked, leased or let where authorized by statute, shall enter, or cause to be entered, in the minutes of the proceedings of the board the fact of such disposition, including complete description of item, serial number, the date property was acquired, the name and address of the person or firm from whom property was acquired, the cost price at time of acquisition or contract price if acquired under lease-rental agreement, the date of disposition, the name and address of the person or firm to whom property transferred, the price received therefore and the reason for disposition.

Title 19 O.S. § 421.1.4.E states:

The board of county commissioners may, by resolution, enter into an agreement with any other county or political subdivision for the purpose of selling, transferring, trading or otherwise disposing of equipment or materials.

Condition: The previous Sheriff donated / traded several pieces of county-owned equipment to various entities, some of which were not political subdivisions. In addition, none of these items were approved by the Board of County Commissioners to be transferred out of the County's possession.

Effect: By not following the control procedures set forth by 19 O.S. § 421 and 19 O.S. § 421.1.4.E, the County's assets may not be safeguarded.

Recommendation: OSAI recommends that the disposal of county-owned equipment be made by resolution of the Board of County Commissioners.

Views of responsible officials and planned corrective actions: Sheriff Ledbetter stated that a list of items disposed of by the previous administration, marked "Surplus Donations," was provided to the Board of County Commissioners for review and proper disposition. The current administration will seek a resolution from the Board before any further disposal of county-owned equipment.



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