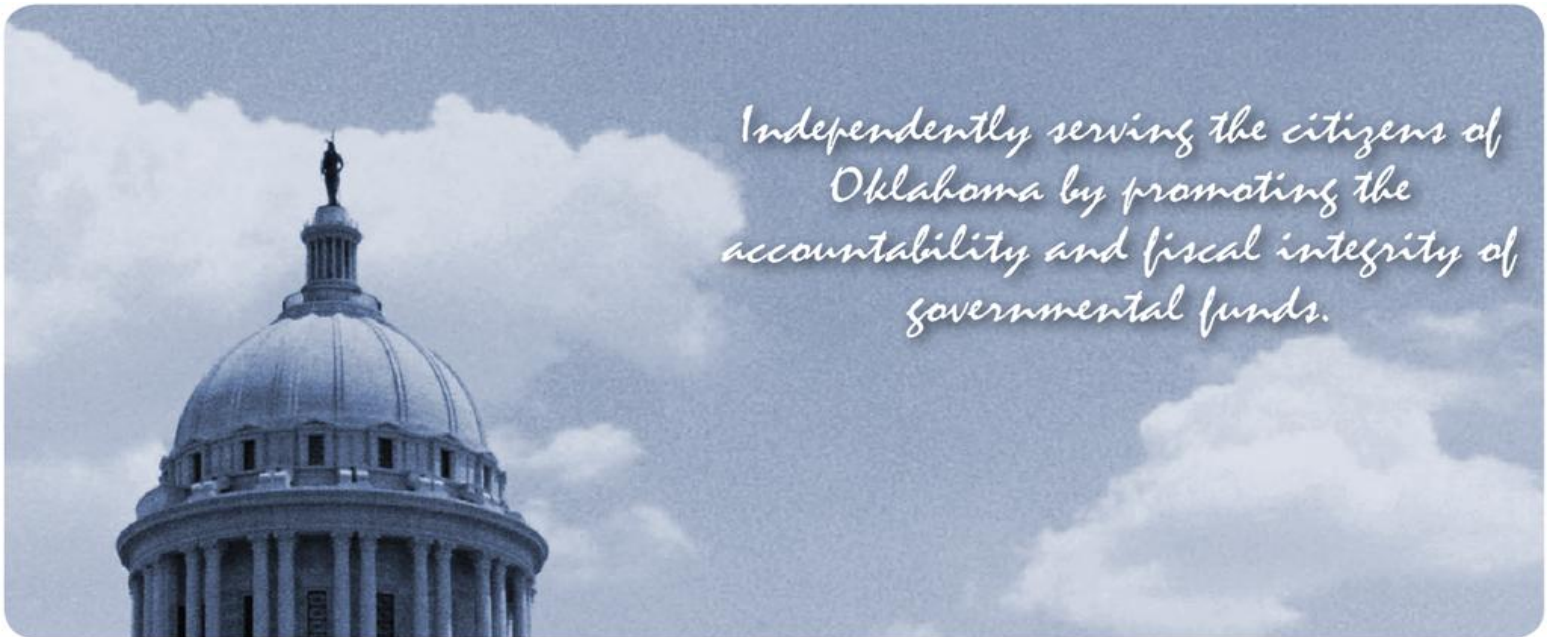


STATUTORY REPORT

# MUSKOGEE COUNTY COMMISSIONER DISTRICT 1 TURNOVER

January 5, 2015



*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  
GENE WALLACE  
MUSKOGEE COUNTY COMMISSIONER  
DISTRICT 1  
JANUARY 5, 2015**

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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

February 3, 2015

BOARD OF COUNTY COMMISSIONERS  
MUSKOGEE COUNTY COURTHOUSE  
MUSKOGEE, OKLAHOMA 74401

Transmitted herewith is the Muskogee County Officer Turnover Statutory Report for January 5, 2015. 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

2300 N. Lincoln Blvd. • State Capitol, Room 100 • Oklahoma City, OK 73105 • Phone: 405.521.3495 • Fax: 405.521.3426

Gene Wallace  
Muskogee County Commissioner, District 1  
Muskogee County Courthouse  
Muskogee, Oklahoma 74401

For the purpose of complying with 19 O.S. § 171, we have performed the following procedures for January 5, 2015:

- 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.
- Verify that the Office is not exceeding the maximum amount of cash authorized for their change needs per 19 O.S. § 682.

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.

A handwritten signature in blue ink, appearing to read "Gary A. Jones".

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

January 6, 2015

**COUNTY OFFICER TURNOVER STATUTORY REPORT  
 GENE WALLACE  
 MUSKOGEE COUNTY COMMISSIONER DISTRICT 1  
 JANUARY 5, 2015**

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**SCHEDULE OF FINDINGS AND RESPONSES**

**Finding 2015-1 – Fixed Assets Inventory**

**Condition:** During our review of fixed assets we noted that all items were not listed on the District’s inventory list. It was also noted that the fixed assets inventory records at the County Clerk’s office was not up-to-date.

**Cause of Condition:** Procedures have not been implemented to ensure an annual review of fixed assets inventory is performed and fixed asset records are updated with the County Clerk.

**Effect of Condition:** This condition resulted in noncompliance with state statute and inaccurate inventory records.

**Recommendation:** The Oklahoma State Auditor & Inspector’s Office (OSAI) recommends that the District perform an annual review of fixed assets inventory and update all fixed assets records with the County Clerk.

**Criteria:** 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 apart 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....annually thereafter, or oftener....”

**Finding 2015-2 –Consumable Inventory**

**Condition:** While reviewing District 1 consumable inventory, we noted the following:

Consumable Item	Consumable Records	On Hand	Variance
<b>Plastic pipe:</b>			
10"x24'	216 ft	255 ft	39 ft
12"	114 ft	72 ft	-42 ft
15"x24'	66 ft	111 ft	45 ft
18"	120 ft	24 ft	-96 ft
42"x 19 ½'	40 ft	0 ft	-40 ft

**COUNTY OFFICER TURNOVER STATUTORY REPORT**  
**GENE WALLACE**  
**MUSKOGEE COUNTY COMMISSIONER DISTRICT 1**  
**JANUARY 5, 2015**

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<b>Consumable Item</b>	<b>Consumable Records</b>	<b>On Hand</b>	<b>Variance</b>
<b>Tinhorns:</b>			
12" spiral	582 ft	534 ft	-48 ft
15" spiral	462 ft	300 ft	-162 ft
18" spiral	180 ft	150 ft	-30 ft
24" spiral	60 ft	90 ft	30 ft
48" spiral	60ft	24 ft	-36 ft
36" spiral	174ft	150 ft	-24 ft
42" spiral	54ft	120 ft	66 ft
32" spiral	0 ft	71.5 ft	71.5 ft
36" flat	0 ft	48 ft	48 ft
24" flat	0 ft	96 ft	96 ft
43" flat	0 ft	48 ft	48 ft
58x26x30 flat	0 ft	114 ft	114 ft
16"	0 ft	288 ft	288 ft
<b>Tires:</b>			
235/85/R16	2	3	1
225R/75/15	4	3	-1
295/75/R22.5	8	7	-1
11Rx24.5	5	1	-4
11Rx22.5	2	6	4
265/R75/16	2	4	2
750-16	2	3	1
<b>Bridge boards</b>	23	21	-2
<b>Grader blades</b>	40	31	-9
<b>Signs:</b>			
"No Dumping"	1	2	1
"Slow Children at Play"	2	0	-2
30x30 "Bridge Out"	6	3	-3
"3 Ton Weight Limit"	8	3	-5
"15 Ton Weight Limit"	4	9	5
"Slow"	3	0	-3
"Dead End"	2	1	-1
"High Water" orange	0	4	4

**COUNTY OFFICER TURNOVER STATUTORY REPORT**  
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**MUSKOGEE COUNTY COMMISSIONER DISTRICT 1**  
**JANUARY 5, 2015**

<b>Consumable Item</b>	<b>Consumable Records</b>	<b>On Hand</b>	<b>Variance</b>
"High Water" yellow	0	2	2
"Caution Children Loading"	0	7	7
"Caution Deaf Children"	0	5	5
"Road Subject to Flood"	0	10	10
"No Thru Trucks"	0	2	2
"Caution Trucks Entering"	0	1	1
"Slow Uneven Lines"	0	2	2
"18 Ton Weight Limit"	0	4	4
"17 Ton Weight Limit"	0	2	2
"No Oil Field Trucks"	0	7	7
"13 Ton Weight Limit"	0	3	3
"No U Turn"	0	3	3
"Speed Limit 55"	0	4	4
"Speed Limit 45"	0	5	5
"Speed Limit 20"	0	1	1
"5 Ton Weight Limit"	0	1	1
"4 Ton Weight Limit"	0	8	8
"6 Ton Weight Limit"	0	3	3
"7 Ton Weight Limit"	0	3	3
"8 Ton Weight Limit"	0	3	3
"10 Ton Weight Limit"	0	2	2
"11 Ton Weight Limit"	0	2	2
"12 Ton Weight Limit"	0	4	4
"13 Ton Weight Limit"	0	5	5
"14 Ton Weight Limit"	0	1	1
"16 Ton Weight Limit"	0	2	2
<b>Sign posts</b>	0	286	286
<b>Oil products:</b>			
Chevron motor oil	20 gal	0 gal	-20 gal
Dexron ATF	95 gal	55 gal	-40 gal
Hydraulic fluid	110 gal	25 gal	-85 gal
DEO 4LS 15/40 Cat	84 gal	55 gal	-29 gal
TDTO transmission oil	37 gal	0 gal	-37 gal

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Consumable Item	Consumable Records	On Hand	Variance
<b>Fuel:</b>			
Diesel	1438 gal	1362 gal	-75 gal
Unleaded	580 gal	549 gal	-31 gal
Diesel (Satellite tank)	319 gal	302 gal	-17 gal

**Cause of Condition:** Procedures have not been designed and implemented to accurately account for consumable inventories.

**Effect of Condition:** This condition resulted in noncompliance with state statute and inaccurate inventory records and could result in unauthorized use of consumable inventories, or loss of consumable inventories.

**Recommendation:** OSAI also recommends that consumable inventory cards be maintained and updated for all consumable inventory items. Furthermore, OSAI recommends that the District perform and document a periodic physical count of inventory.

**Criteria:** Effective internal controls include designing and implementing procedures to ensure that all supplies, materials, and equipment received, disbursed, stored and consumed by their department comply with 19 O.S. § 1502.





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