



NOWATA COUNTY COMMISSIONER DISTRICT 1 TURNOVER

Statutory Audit

January 2, 2019

Cindy Byrd, CPA
State Auditor & Inspector

**COUNTY OFFICER TURNOVER STATUTORY REPORT
CURTIS BARNES
NOWATA COUNTY COMMISSIONER
DISTRICT 1
JANUARY 2, 2019**

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) and in the Oklahoma Department of Libraries Publications Clearinghouse Digital Prairie Collection (<http://digitalprairie.ok.gov/cdm/search/collection/audits/>) pursuant to 65 O.S. § 3-114.

April 18, 2019

BOARD OF COUNTY COMMISSIONERS
NOWATA COUNTY COURTHOUSE
NOWATA, OKLAHOMA 74048

Transmitted herewith is the Nowata County Officer Turnover Statutory Report for January 2, 2019. 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,



CINDY BYRD, CPA
OKLAHOMA STATE AUDITOR & INSPECTOR



Curtis Barnes
Nowata County Commissioner, District 1
Nowata County Courthouse
Nowata, Oklahoma 74048

For the purpose of complying with 19 O.S. § 171, we have performed the following procedures for January 2, 2019:

- 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

April 16, 2019



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SCHEDULE OF FINDINGS AND RESPONSES

Finding 2019-001 – Inadequate Internal Controls and Noncompliance Over Fixed Assets Inventory

Condition: Upon inquiry of County personnel, observation of fixed assets, and test of inventory records, the following was noted:

- Two fixed asset items could not be located, and the District was unable to provide documentation to verify that the equipment was disposed of.

County ID Number	Equipment Type	Serial Number
324-0103	Air Compressor	GCAFP-2606379
420-0100	Water Pump	None

Cause of Condition: Policies and procedures have not been designed and implemented to ensure accurate fixed inventory records are maintained, all fixed assets are accounted for, and compliance with state statutes.

Effect of Condition: This condition resulted in noncompliance with state statutes and inaccurate fixed asset inventory records, and could result in the unauthorized use, or loss of fixed asset items.

Recommendation: The Oklahoma State Auditor & Inspector’s Office recommends management implement internal controls to ensure compliance with 19 O.S. § 178.1 and 19 O.S. § 421.1.

Management Response:

Chairman of Board of County Commissioners: I have read the findings and the recommendations of OSAI and agree with the recommendations. I have spoken with District 1 Commissioner and was advised that the District 1 Administrative Assistant has a complete fixed asset inventory and that periodically during the year an inventory of all District 1 fixed assets will be taken.

Criteria: Accountability and stewardship are overall goals of management in the accounting of funds. 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 transactions and safeguarding assets from misappropriation. Inventory assets should be marked with county identification numbers.

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

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(\$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 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 the 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...”

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.”

O·K·L·A·H·O·M·A
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