



PAYNE COUNTY COMMISSIONER DISTRICT 3 TURNOVER

Statutory Audit

December 31, 2018

Cindy Byrd, CPA
State Auditor & Inspector

**COUNTY OFFICER TURNOVER STATUTORY REPORT
KENT BRADLEY
PAYNE COUNTY COMMISSIONER
DISTRICT 3
DECEMBER 31, 2018**

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.



Cindy Byrd, CPA | State Auditor & Inspector

2300 N. Lincoln Blvd., Room 123, Oklahoma City, OK 73105 | 405.521.3495 | www.sai.ok.gov

March 5, 2019

BOARD OF COUNTY COMMISSIONERS
PAYNE COUNTY COURTHOUSE
315 W. 6th Suite 203
STILLWATER, OKLAHOMA 74074

Transmitted herewith is the Payne County Officer Turnover Statutory Report for December 31, 2018. 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 "Cindy Byrd".

CINDY BYRD, CPA
OKLAHOMA STATE AUDITOR & INSPECTOR



Kent Bradley
Payne County Commissioner, District 3
Payne County Courthouse
315 W. 6th Suite 203
Stillwater, Oklahoma 74074

For the purpose of complying with 19 O.S. § 171, we have performed the following procedures for December 31, 2018

- 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

January 29, 2019



**COUNTY OFFICER TURNOVER STATUTORY REPORT
KENT BRADLEY
PAYNE COUNTY COMMISSIONER
DECEMBER 31, 2018**

SCHEDULE OF FINDINGS AND RESPONSES

Finding 2018-001 – Insufficient Internal Controls and Noncompliance Over Fixed Asset Inventories

Condition: Upon inquiry and observation of fixed asset records, the following weaknesses were noted:

Out of 173 items tested:

- Fourteen (14) items could not be located.

	County ID	Description	Serial Number	Amount
1	410.0004	Floor Jack	022802	\$1,228.50
2	420.0003	Water Pump-0228.02	83122210	\$672.00
3	439.0001	High Washer P	A202197	\$2,921.25
4	443.0007	Ranger Welder 350 G	4221402771	\$3,995.00
5	445.055	Toolbox	351991-0912A029896	\$579.50
6	452.000	Road Counter Apollo 4/8/S	UU23247	\$675.00
7	601.006	Digital Radio PXPR6350	037TMR2674	\$676.00
8	601.0061	Digital Radio PXPR6350	037TMR2696	\$676.00
9	601.00062	Digital Radio PXPR6350	037TMR2436	\$676.00
10	601.007	Digital Radio PXPR4350 VHF	563TMQ3156	\$525.00
11	601.0077	Digital Radio PXPR4350 VHF	563TMQ3394	\$525.00
12	601.008	Digital Radio PXPR4350 VHF	563TMQ3347	\$525.00
13	601.0086	Digital Radio PXPR4350 VHF	563TMQ3353	\$525.00
14	601.0091	Portable Radio	563TNY0869	\$525.00

- Thirty-nine (39) motor vehicles were not properly marked, “Property of Payne County”.
 - See full list of items at Appendix 1.
- Eighty-eight (88) equipment items were not properly marked with a County ID number.
 - See full list of items at Appendix 2.

Cause of Condition: Policies and procedures have not been designed and implemented to ensure compliance with state statutes regarding the maintaining of fixed assets.

Effect of Condition: These conditions resulted in noncompliance with state statutes. Opportunities for loss and misappropriation of County assets may be more likely to occur when the County does not have procedures in place to accurately account for the County’s fixed assets inventory.

Recommendation: The Oklahoma State Auditor & Inspector’s Office (OSAI) recommends management implement internal controls to ensure compliance with state statutes. These internal controls would include

COUNTY OFFICER TURNOVER STATUTORY REPORT
KENT BRADLEY
PAYNE COUNTY COMMISSIONER
DECEMBER 31, 2018

maintaining an accurate inventory report, properly marking motor vehicles with “Property of Payne County” and properly marking equipment with a County ID number.

Management Response:

Outgoing County Commissioner:

- **Items could not be located:** I had employees go through the inventory list each year and locate the items. I was told everything was there. Apparently, the identification numbers were not cross checked with the serial numbers.
- **Items not properly marked:** All Mack trucks are on the fuel tanks or beds. Twenty (20) vehicles or equipment are new. I was in the process of designing a new logo for the vehicles and equipment to help Payne County be recognized better but did not follow through since loss of election in June.
- **No County identification number:** All new items were found and may not have an identification number.

In my tenure, I have cleaned up, organized, updated and replaced decades of old equipment. I am surprised by the unfound items since I was led to believe it was all here. I had at least 3 assistants that had gone through and purged the inventory list to be sold or taken off that was under \$500.

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 transactions and safeguarding assets from misappropriation. To help properly ensure safeguarding of assets, internal controls should include properly marking motor vehicles “Property of Payne County” and marking equipment with a County ID number to ensure compliance with state statutes.

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 thereof and of like tools, apparatus, machinery and equipment purchased, leased or otherwise coming into the 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 annually thereafter...”

Title 69 O.S. § 645 requires that county-owned rented, or leased road machinery or equipment be clearly and visibly marked “Property Of.”

COUNTY OFFICER TURNOVER STATUTORY REPORT
KENT BRADLEY
PAYNE COUNTY COMMISSIONER
DECEMBER 31, 2018

Finding 2018-002 – Insufficient Internal Controls and Noncompliance Over Consumable Inventories

Condition: During our review of consumable inventory, the following weaknesses were noted:

- Consumable inventory records were not maintained or reconciled.
- Fuel was not reconciled to the amount on hand.

Cause of Condition: Policies and procedures have not been designed and implemented to ensure compliance with state statute. The consumable inventory records are not being properly maintained, timely updated, or reconciled to physical counts on an annual basis. Also, controls are not in place to give reasonable assurance over the safeguarding of consumable inventory; including fuel.

Effect of Condition: These conditions resulted in noncompliance with state statute. Also, failure to maintain accurate records of consumable inventory items and to perform a periodic physical inventory of consumable inventory items could result in inaccurate records, unauthorized use, or misappropriation of consumable inventory.

Recommendation: OSAI recommends that management implement internal controls to ensure consumable items be adequately secured and fuel records be accurately maintained and reconciled to the actual fuel on hand. OSAI also recommends management design and implement internal controls to ensure compliance with 19 O.S. § 1504(A) by maintaining inventory records and safeguarding consumable inventory.

Management Response:

Outgoing County Commissioner:

- **Consumable Records:** I terminated the receiving officer in February 2018 for having a backlog of records since 2016. For the remainder of 2018 I have had 3 different assistants to train and work on updating the consumable records and I thought we were close. There was not enough time to get totally corrected.
- **Fuel:** The fuel may not have been entered into the computer system but there was a spreadsheet to go by. I purchased a fuel monitoring system that would eliminate the inaccurate process but did not get it installed. I removed the bulk fuel at remote locations because this was an issue when I took office in 2015.

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 transactions and safeguarding assets from misappropriation. To help properly ensure safeguarding of assets, internal controls should include properly maintaining consumable inventory records; including fuel.

Title 19 O.S. § 1504(A) states, A receiving officer shall receive all purchased, lease-purchased or rented items procured for the department and shall identify such items received in a manner

COUNTY OFFICER TURNOVER STATUTORY REPORT
KENT BRADLEY
PAYNE COUNTY COMMISSIONER
DECEMBER 31, 2018

prescribed by the county road and bridge inventory officer or board of county commissioners or designee. The receiving officer shall also maintain a record of all such items received, disbursed, stored and consumed by the department.”

**COUNTY OFFICER TURNOVER STATUTORY REPORT
KENT BRADLEY
PAYNE COUNTY COMMISSIONER
DECEMBER 31, 2018**

APPENDIX 1

Motor Vehicles Not Properly Marked “Property of Payne County”

	Tag Number	Description	Serial/Parcel
1	302.0044	Truck	1HSLRDBN8KH641721
2	302.0049	Mack Dump Truck	1MIAJ06Y87N0I 1565
3	302.0050	Mack Dump Truck	1M2AN 09Y9AN0056476
4	304.003	John Deere 6105 Cab Tractor	L06105M822335
5	307.0053L	Motor Grader 140m3	0N9J00134
6	307.0054L	Motor Grader 140m3	0N9J00135
7	307.0055	Motor Grader 140m3	PB9D0I519
8	307.0055L	Motor Grader 140m3	0N9J00136
9	307.0056	Motor Grader 140m3	N9J00351
10	307.0056L	Motor Grader 140m3	0N9J00158
11	307.057	Motor Grader 140m3	0N9J00761
12	316.0014	CAT 621B Scraper	2DB00133
13	302.0051	Military 6X6 Truck	1FULATCG2APAS0002
14	316.016	Kubota Scag Turf Tiger	K1600507
15	320.016	CS56B Vibratory Soil Compactor	S5600386
16	323.0001	Komatsu D39EX-22 Dozer	KMT0D I 0810 I 003664
17	327.0002	Komatsu PC200LC-8 Hydraulic Excavator	A88253
18	327.0003	Komatsu PC210LC-10 Hydraulic Excavator	A10216
19	332.0004	CAT 420F Backhoe	CAT0420FVJWJOI 160
20	332.0005	CAT 299D XHP Compact Track Loader	CAT0299D LJST0 I 093
21	332.0006	CAT 299D XHP Compact Track Loader	CAT0299DCJST0 1146
22	345.0004	Komatsu WA380-6 Wheel Loader	A53420
23	345.006	CAT 972H Wheel Loader	87D00996
24	345.007	CAT 966M Wheel Loader	KJP-1145
25	701.0002	Truck Dr6l41	1D7HU18N92J 188131
26	701.0003	Mack Truck	1M1AA18Y73W149654
27	701.0004	Mack Truck	1MI AA 1 8Y03W149656
28	701.0006	Mack Truck	1MIAA18Y23W154955
29	701.001	Ford Truck F150	1FTRF14W47NA11669
30	701.0011	Mack Truck	1M1AN07Y5BM006910
31	701.0013	Mack Truck	1MAN07Y7EM015919
32	701.0014	Mack Truck	1M IAN07Y3EM015920
33	701.015	Silverado 2500	1GC1KUEG2JFI21848
34	701.016	Silverado 2500	1GC1KUEG7JFI 19609
35	703.002	Chevrolet Crew Cab 4x4 S Duramax Truck	1GC1KUE81FF639613
36	703.003	Ford Service Truck F450	1FD0W4HT6HEC03537

COUNTY OFFICER TURNOVER STATUTORY REPORT
KENT BRADLEY
PAYNE COUNTY COMMISSIONER
DECEMBER 31, 2018

	Tag Number	Description	Serial/Parcel
37	703.004	Ford Pickup F-550	I FD0W5HT0HEE58268
38	320.001	SP3000 Wheel Roller	9413
39	320.001	CV18B Vibratory Roller	RCA-02333

**COUNTY OFFICER TURNOVER STATUTORY REPORT
KENT BRADLEY
PAYNE COUNTY COMMISSIONER
DECEMBER 31, 2018**

APPENDIX 2

Equipment Not Marked with a County ID Number

	Tag Number	Description	Serial/Parcel
1	201.017	Typewriter	6747-11-0631496
2	213.0004	Sharp MX-2615N Printer	5E00006X
3	301.022	Truck Bed	
4	314.001	CAT Multipurpose Bucket 426-6558	65SSMP005115
5	314.002	CAT Grapple Rake 286-9301	PRSSGR001584
6	314.003	Dozer Mount	AT! 991364-02
7	314.004	CAT 416D Bucket	141000079
8	314.005	Kenco Barrier Lift KL9000	
9	316.0007	299D Planer	LZP00392
10	316.0009	John Deere CX15 Rotary Cutter	P0CX15G046276
11	316.0010	Skid Steer 6 Way Dozer Blade Attach	PRSSDB002993
12	316.0011	CAT BR378 Brush cutter	RDN01056
13	316.0012	FS 240 Brush Cutter	178090799
14	316.0013	John Deere CX15 Rotary Cutter	I POCX 1 5GAFZ046291
15	320.0011	CV18B Vibratory Roller	RCA-02333
16	320.0012	Multiquip Rammer MTX60	7-9668
17	320.0013	Multiquip Rammer MTX60	2-9725
18	320.0014	Multiquip Plate Compactor MVC82VH	Z5271
19	320.0015	Multiquip Plate Compactor MVC82VH	Z5847
20	325.0004	Vermeer BC1000XL Wood Chipper	IVRYI 1 19X61006989
21	325.0005	Cat 299 Mulcher Attachment	HMB00496
22	325.003	Hi-Way E2020 Municipal Salt Spreader	85957
23	327.0004	Cat A19B Auger	SMR14280
24	337.001	Skid Steer Sweeper Attachment	BX800643
25	343.001	CAT 420E Angle Broom	7AW02600
26	345.0005	Forklift Carriage 353-1697	65SSFP024440
27	348.0025	CPS Belly Dump Trailer	5MC1 1 16204P004742
28	348.0027	Belshe WB-1 Trailer	16JF0121181044574
29	348.0029	Belshe WB-1 Trailer	9125TGAS
30	348.0030	Belly Trailer I LBD40	5MC11402XCP014056
31	348.0031	Lowboy Trailer DT50	5VGFR4331CL000669
32	348.0032	Belly Trailer I Pack Mule	STU 1 14026DS001281
33	348.0033	Belly Trailer I Pack Mule	STU!14026DS001280
34	348.0034	Stretch Trailer	I 3N4482C0X 1588218
35	348.0035	Trailer	4P5T6242XF1233671
36	348.0036	Trailer	4P5T62421F1233669

COUNTY OFFICER TURNOVER STATUTORY REPORT
KENT BRADLEY
PAYNE COUNTY COMMISSIONER
DECEMBER 31, 2018

	Tag Number	Description	Serial/Parcel
37	408.001	Winch 9k	
38	410.0007	Hydraulic Jack	
39	410.0009	Service Jack 91-731	
40	410.0012	Diesel Pump 22 35	
41	413.0004	Fuel Tank	
42	413.0008	Transport Tanker	080944-DD
43	413.0009	Container JS96-09449/JS-D44C	
44	414.0002	Portacooler Evaporative Cooler	139493-07
45	414.0003	Portacooler Evaporative Cooler	390781-14
46	414 .0004	Portacooler Evaporative Cooler	390756-14
47	416.0013	Air Wrench LM	
48	416.0014	Air Wrench LM 6-778	209 0474
49	416.0016	Air Wrench LM 261	SRI0K
50	421.0002	Mechanics Vise	
51	423.0002	Drill Press	12124974
52	425.0013	Stihl CutQuick Chop Saw TS760	338364102
53	425.0016	Stihl MS 362 Chainsaw	299893799
54	439.0003	Hotsy 1453N Power Washer	000323
55	445.0001	Toolbox	
56	445.0051	Tool Box	JM65504N3
57	445.0054	Tool Set	
58	445.056	Toolbox RD11DCAB	
59	445.057	Toolbox BL11DCAB	
60	445.058	Toolbox BK11DCAB	
61	447.001	Auto Repair Sc	RSE47048052
62	447.002	Spectra Precision LR30 Laser Receiver	9608
63	452.000	Road Counter Apollo 4/8/S	UU23248
64	601.0063	Digital Radio P Xpr4350 VHF	563TMQ3267
65	601.0064	Digital Radio P Xpr4350 VHF	563TMQ3128
66	601.0065	Digital Radio P Xpr4350 VHF	563TMQ3125
67	601.0066	Digital Radio P Xpr4350 VHF	563TMQ3127
68	601.0067	Digital Radio P Xpr4350 VHF	563TMQ3130
69	601.0068	Digital Radio P Xpr4350 VHF	563TMQ3129
70	601.0069	Digital Radio P Xpr4350 VHF	563TMQ3350
71	601.0071	Digital Radio P Xpr4350 VHF	563TMQ3454
72	601.0072	Digital Radio P Xpr4350 VHF	563TMQ3152
73	601.0073	Digital Radio P Xpr4350 VHF	563TMQ3351
74	601.0074	Digital Radio P Xpr4350 VHF	563TMQ3352
75	601.0075	Digital Radio P Xpr4350 VHF	563TMQ3352
76	601.0076	Digital Radio P Xpr4350 VHF	563TMQ3150
77	601.0078	Digital Radio P Xpr4350 VHF	563TMQ3349

COUNTY OFFICER TURNOVER STATUTORY REPORT
KENT BRADLEY
PAYNE COUNTY COMMISSIONER
DECEMBER 31, 2018

	Tag Number	Description	Serial/Parcel
78	601.0079	Digital Radio P Xpr4350 VHF	563TMQ3395
79	601.0081	Digital Radio P Xpr4350 VHF	563TMQ3345
80	601.0082	Digital Radio P Xpr4350 VHF	563TMQ3346
81	601.0083	Digital Radio P Xpr4350 VHF	563TMQ3301
82	601.0084	Digital Radio P Xpr4350 VHF	563TMQ3344
83	601.0085	Digital Radio P XPR4350 VHF	563TMQ3348
84	601.0087	Digital Radio P XPR4350 VHF	563TMQ3126
85	601.0089	Commscope DB224-B Antenna	
86	601.009	Portable Radio XPR4350 VHF	563TNY0870
87	601.088	Motorola MTR 3000 Repeater	512IMY0277
88	627.001	Dell Sonicwall Tz 215 Ethernet	TZ215

O·K·L·A·H·O·M·A
S·A·I
STATE AUDITOR & INSPECTOR



Cindy Byrd, CPA | State Auditor & Inspector

2300 N. Lincoln Blvd., Room 123, Oklahoma City, OK 73105 | 405.521.3495 | www.sai.ok.gov