



POTTAWATOMIE COUNTY COMMISSIONER DISTRICT 3 TURNOVER

Statutory Report

December 12, 2022

Cindy Byrd, CPA
State Auditor & Inspector

**COUNTY OFFICER TURNOVER STATUTORY REPORT
EDDIE STACKHOUSE
POTTAWATOMIE COUNTY COMMISSIONER
DISTRICT 3
DECEMBER 12, 2022**

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March 16, 2023

BOARD OF COUNTY COMMISSIONERS
POTTAWATOMIE COUNTY COURTHOUSE
SHAWNEE, OKLAHOMA 74801

Transmitted herewith is the Pottawatomie County Officer Turnover Statutory Report for December 12, 2022. 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". The signature is written in a cursive, flowing style.

CINDY BYRD, CPA
OKLAHOMA STATE AUDITOR & INSPECTOR



Mr. Eddie Stackhouse
Pottawatomie County Commissioner, District 3
Pottawatomie County Courthouse
Shawnee, Oklahoma 74801

For the purpose of complying with 19 O.S. § 171, we have performed the following procedures for December 12, 2022:

- Verify that equipment items on hand agree with inventory records maintained per 19 O.S. § 178.1 and 19 O.S. § 178.2.
- Verify that consumable items on hand agree with consumable inventory records maintained per 19 O.S. § 1502.
- 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 10, 2023

**COUNTY OFFICER TURNOVER STATUTORY REPORT
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POTTAWATOMIE COUNTY COMMISSIONER
DECEMBER 12, 2022**

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SCHEDULE OF FINDINGS AND RESPONSES

Finding 2023-001 – Lack of Internal Controls and Noncompliance Over Fixed Assets and Consumable Inventories

Condition: In the observation of records and the visual verification of fixed assets, the following was noted:

- Sixteen (16) items could not be located. See Appendix 1.
- Sixty-five (65) items were not adequately marked or did not have a county identification number affixed. See Appendix 2.
- Twenty-seven (27) items were verified, but not listed on the County Clerk’s inventory list. See Appendix 3.

Further, in the observation of records and the visual verification of consumable inventories, there were discrepancies noted between the quantities reported and the quantities verified for the following:

Consumable Item	Quantity Reported	Quantity Verified	Variance
Grader Blades	40	60	20
24” Used Steel Pipe	200’	0	(200)’

Cause of Condition: Policies and procedures have not been adequately designed and implemented by county offices/departments to ensure the accurate reporting of fixed assets and consumable inventory items, as well as adequate procedures to ensure equipment is properly identified in accordance with state statutes.

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 account for fixed assets. Additionally, when consumable inventory items are not adequately documented, and inadequate segregation of duties exists, the opportunity for the misappropriation and undetected errors could result.

Recommendation: OSAI recommends the County Officers implement internal controls to ensure compliance with 19 O.S. § 178.1, 19 O.S. § 1502(A)(1), 19 O.S. § 1502(B)(1), 19 O.S. § 1504 and 69 O.S. § 645 regarding fixed assets and consumable inventory records. Annual counts of fixed assets should be on file with the County Clerk in accordance with state statutes.

Management Response:

County Commissioner District 3: All fixed assets listed as “not located” have been located with the exception of NAPA 1: impact wrench. Most of the items were sold at Elk City Auction as recorded in the Pottawatomie County Commissioners minutes with the exception of the Gilcrest Pave Master which was transferred to District 1. All other findings will be corrected as soon as possible.

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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.

Title 19 O.S. § 178.1, which requires the board of county commissioners in each county of this state to take or cause to be taken, an inventory of all working tools, apparatus, machinery and equipment.

Title 19 O.S. § 645, all county owned, rented, or leased road machinery or equipment be clearly and visibly marked "Property Of ..."

Title 19 O.S. § 1502(A)(1), which requires a prescribed uniform identification system for all supplies, materials, and equipment of a county used for maintenance for roads and bridges.

Title 19 O.S. § 1502(B)(1) which requires a prescribed uniform identification system for all supplies, materials, and equipment of a county not used in the construction and maintenance for roads and bridges.

Title 19 O.S. § 1504 which requires the receiving officer to maintain a record of all items received, disbursed, stored and consumed by the department.

APPENDICES

**COUNTY OFFICER TURNOVER STATUTORY REPORT
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APPENDIX 1

Sixteen (16) Items on Inventory List Could Not Located

Inventory #	Item Name
219-9	Savin Copier
221-1	Security System Hard Drive
302-5	2011 Freightliner
302-18	Freightliner
304-1	JD Cab Tractor
320-2	Padfoot Roller
320-6	Gilcrest Pavemaster
340-2	Cracksealer
348-11	Entyre Low Boy
348-19	Honda Haul Trailer
413-4	Fuel Tank/Toolbox
413-5	Fuel Tank/Toolbox
425-3	36" Extension Pruner
441-11	Diamond Boom Mower
445-7	1" NAPA Impact Wrench
610-2	Sears Fridge

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Sixty-Five (65) Were Not Properly Marked with a County Identification Number

Inventory #	Item Name
221-3	Samsung Cell Phone
301-9	2007 Chevy Pickup
301-10	2011 HD3500 Pickup
301-11	2011 4x4 Pickup
301-12	2017 Ford F250
301-13	2011 Chevy (Mechanic Truck)
301-14	2011 Chevrolet Pickup
301-15	2013 Ford Pickup
301-16	2018 Ford Pickup
301-17	2018 Ford Pickup
301-18	2017 Ford F250
302-1	Water Truck
302-2	Chipping Truck
302-3	2011 Freightliner
302-6	Mack Dump Truck
302-7	Mack Dump Truck
302-8	Mack Semi Truck
302-9	Mack Semi Truck
302-13	2007 Chevrolet
302-14	Mack Dump Truck
302-15	Mack Dump Truck
302-16	Kenworth Semi
302-17	Mack Dump Truck
302-19	Kenworth Semi
302-20	Peterbilt Semi
302-21	Kenworth Semi Truck
304-5	JD 6110M Tractor
304-6	JD 6110M Tractor

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Inventory #	Item Name
304-9	John Deere Cab Tractor
304-10	John Deere Cab Tractor
305-2	JD 672G Grader
305-3	JD 672 Grader
305-6	JD 672 Grader
605-9	JD 672G Grader
320-4	2012 Big Roller
320-5	Volvo Double Drum Roller
320-7	Carlson Asphalt Laydown
320-8	2018 Dynapac Roller
320-9	Wanco Direction Trailer
323-3	Komatsu Dozer
325-4	Peterbilt with Etnyre Distributor
332-6	Cat Skid Loader
332-10	JD 524L Loader
343-1	Warren Angle Blade
343-4	Bucket for Skid Steer
348-15	Vermeer BC1500 Chipper
348-16	Vermeer Bruch Chipper
348-17	May Gooseneck
348-18	18' Holt Flatbed Trailer
348-20	Big Tex Utility Trailer
348-21	2020 Armor Lite 32/42
348-22	2020 Armor Lite 32/42
348-23	2020 Armor Lite 32/42
356-2	JD Excavator 210G
356-3	JD Backhoe
358-1	Ditching Bucket
404-2	Lincoln Ranger 8 Welder
404-3	Mig Welder
406-3	Hitachi Port. Air Comp.
441-4	Diamond Saw Head

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Inventory #	Item Name
441-5	Stihl TS420 Cutquick Saw
441-12	Tiger 50" Saw Head
441-13	JD 48" Saw Blade
441-14	Batwing Brush Hog Mower
444-1	Frontier Box Blade

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APPENDIX 3

Twenty-Seven (27) Items Verified but Not Listed on the County Clerk's Inventory List

Item Name	Serial Number
Pressure Washer	15079918
Land Pride Mower	1116688
Pressure Washer Magnum 4000	183516
John Deere Generator Model AC-G6010H-E 6000 Watts	N/A
HP Desktop Computer	MX860203QW
Hypermax Powermax	N/A
CPS Belly Dump Trailer	Last 4 S/N 0561
CPS Belly Dump Trailer	Last 4 S/N 0167
Cat Truck	Last 6 VIN 306561
Eager Beaver Lowboy Trailer	Last 6 VIN 081844
2014 Freightliner Truck	Last 6 VIN GD3981
Mack Truck	Last 4 VIN 8634
Henderson Spreader	S/N FSH-32215
Henderson Spreader	S/N FSH-32214
Road Widener Shoulder Machine	S/N 18-1206
Grapple Bucket	S/N 8725
Heavy Built Skid Mount Sprayer	N/A
Dynapac Rubber Tire Roller	S/N 06328
Superior Broom	S/N 914162
John Deere Tractor Model 6330	Last 4 S/N 0025
Sterling Oil Distributor Truck	Last 5 VIN 16855
Ranco Belly Dump Trailer	Last 5 VIN 97803
Compressor Engine Drive County	County ID 406-4
Five (5) Henderson Truck Mount Snowplows	N/A
CX-15 John Deere Batwing Mower	N/A
Volvo Mini Excavator	S/N 1844
Diamond Boom Mower	S/N 7610

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



Cindy Byrd, CPA | State Auditor & Inspector

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