

STATUTORY REPORT

# SEQUOYAH COUNTY CLERK TURNOVER

January 2, 2013



*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  
VICKI SAWNEY  
SEQUOYAH COUNTY CLERK  
JANUARY 2, 2013**

---

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 14, 2013

BOARD OF COUNTY COMMISSIONERS  
SEQUOYAH COUNTY COURTHOUSE  
SALLISAW, OKLAHOMA 74955

Transmitted herewith is the Sequoyah County Officer Turnover Statutory Report for January 2, 2013. 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, appearing to read "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

Vicki Sawney  
Sequoyah County Clerk  
Sequoyah County Courthouse  
Sallisaw, Oklahoma 74955

For the purpose of complying with 19 O.S. § 171, we have performed the following procedures for January 2, 2013:

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

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

January 22, 2013

**COUNTY OFFICER TURNOVER STATUTORY REPORT  
VICKI SAWNEY  
SEQUOYAH COUNTY CLERK  
JANUARY 2, 2013**

---

**SCHEDULE OF FINDINGS AND RESPONSES**

**2013 – 1 – Fixed Assets Inventory**

**Condition:** During our review of the fixed assets inventory in the County Clerk’s office, OSAI noted the following exceptions:

- Thirteen items could not be located:

Item/Description	County Identification Number	Serial Number
Compaq Monitor	F201-13	Not listed
HP 1702	F201-16	USV8340DDO
HP Monitor	None	CNK8350NVR
Compaq Monitor	None	7020M0DUSV3340
HP Monitor	None	CNK8350NVR
HP Laser Jet Printer	F201-26	CNRXV35962
Kyocera Printer	None	QAY8Y05215
Kingston Keyboard	None	C0846B000392
Kingston Keyboard	None	C0846B000388
Kingston Keyboard	None	C0846B000357
Kingston Keyboard	None	C0846B000330
Compaq Monitor	F201-27	26A80713NN
HP Tower	F201-18	USV3340DPW

**COUNTY OFFICER TURNOVER STATUTORY REPORT**  
**VICKI SAWNEY**  
**SEQUOYAH COUNTY CLERK**  
**JANUARY 2, 2013**

---

- Twenty items were not on the inventory log:

<b>Item/Description</b>	<b>County Identification Number</b>	<b>Serial Number</b>
Plat Cabinet #1	None	None
Plat Cabinet #3	None	None
Plat Cabinet #4	None	None
HP Monitor	None	CNK128168R
HP Monitor	None	3CQ208BHND
HP Monitor	None	3CQ146BFJH
HP Monitor	None	CNK1340TH8
HP Monitor	None	3CQ208BH34
HP Monitor	None	CNK8350NVR
HP Monitor	None	-
Acer Monitor	None	-
AOC Monitor	None	-
Haster IM 420 Mailing Machine	None	-
HP Laptop	None	CNU127W5BJ
HP Laptop	None	CNU9253M3T
Dell Laptop	None	CN04P449481552610046
Cannon Scanner	None	-
Kyocera Printer/Copier	None	QBG8X11634
Kyocera Printer/Copier	None	AGN3005179
HP Tower	None	USV3340DDV

**COUNTY OFFICER TURNOVER STATUTORY REPORT**  
**VICKI SAWNEY**  
**SEQUOYAH COUNTY CLERK**  
**JANUARY 2, 2013**

---

**Cause of Condition:** Policies and procedures have not been designed to safeguard assets by performing an annual physical inventory count and maintaining asset inventory records.

**Effect of Condition:** This condition could result in loss and misappropriation of county assets.

**Recommendation:** OSAI recommends management implement controls to comply with 19 O.S. § 178.1. We also recommend that the County Clerk perform an annual inventory and retain documentation to verify that physical inventory counts are performed.

**Management Response:**

**Incoming County Clerk:** This inventory was done by the prior County Clerk; moving forward, I am going to take the current list and complete a more accurate inventory on an annual basis.

**Criteria:** Title 19 O.S. § 178.1 states:

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 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 § 178.3 A. states:

The County Clerk shall be custodian and repository of all inventory records, files and reports.

**2013 – 2 – Fund Balances**

**Condition:** During our examination of fund balances for the County Clerk, we discovered the expenditures exceeded one-half the amount allocated for the operation of the office:

- The balance of the County Clerk Lien Fee allocated for the County Clerk on July 1, 2012 was \$57.50, and as of December 31<sup>st</sup>, 2012, the account only had \$5.59 remaining.
- The balance of the County Clerk Preservation Fee allocated for the County Clerk on July 1, 2012 was \$9,554.56, and as of December 31<sup>st</sup>, 2012, the account only had \$2,857.78 remaining.

**COUNTY OFFICER TURNOVER STATUTORY REPORT**  
**VICKI SAWNEY**  
**SEQUOYAH COUNTY CLERK**  
**JANUARY 2, 2013**

---

**Cause of Condition:** Procedures have not been designed to track expenditures and ensure that one-half of the amount allocated for the operation of the office is remaining at the expiration of the officer's term.

**Effect of Condition:** This condition resulted in a violation of 19 O.S. § 347.C and could result in financial hardship for the incoming officer in carrying out her official duties.

**Recommendation:** OSAI recommends that the County establish procedures to verify outgoing officers do not make expenditures in excess of statutory limitations. When circumstances exist creating the need to exceed those limits, the Excise Board has the power to grant written permission for the expenditures.

**Management Response:**

**Incoming County Clerk:** I inherited this; in the future I will ensure that these accounts are balanced on a monthly basis to maintain the budget set forth.

**Criteria:** Title 19 § 347 C. states:

Whenever a county officer holding an elective office will not immediately serve a succeeding term in the same office, it shall be unlawful for the board of county commissioners, during the first six months of the fiscal year in which said term of office expires, to approve claims for the operation of said office totaling in excess of one-half (1/2) the amount allocated for the operation of said office during said fiscal year, unless approval in writing is obtained from the county excise board, and any claim in excess thereof and any warrant issued pursuant thereto shall be null and void.

**2013-3 - Monthly Reconciliation – Official Depository**

**Condition:** During our examination of the monthly reconciliation records, it was determined that the County Clerk did not reconcile her Official Depository Account to the Treasurer's balance.

- The County Clerk's balance for November 30, 2012 was \$6,824.84, and the County Treasurer's balance for November 30, 2012 was \$8,211.34. The difference was \$1,386.50, which was the County Clerk's deposit for November 30, 2012, but was not recorded by the County Clerk.

**Cause of Condition:** Procedures have not been designed to ensure that all deposits are being recorded and to ensure that the Official Depository Account balance in the County Clerk's office reconciles to the Treasurer's balance on a monthly basis.

**Effect of Condition:** When proper account reconciliations are not being documented and maintained, it could result in misuse or misappropriation of funds. This condition could also result in errors and improprieties and unrecorded transactions.



**COUNTY OFFICER TURNOVER STATUTORY REPORT**  
**VICKI SAWNEY**  
**SEQUOYAH COUNTY CLERK**  
**JANUARY 2, 2013**

---

**Recommendation:** OSAI recommends that the County Clerk establishes procedures to ensure that all transactions are properly recorded. It is also recommended that the County Clerk reconciles her Official Depository Account balance to the Treasurer's balance on a monthly basis, ensuring any differences in balances are accounted for.

**Management Response:**

**Incoming County Clerk:** This reconciliation was completed by the previous County Clerk. I am currently working with the Treasurer to reconcile all accounts and implementing procedures ensuring that the Official Depository Account reconciles with the Treasurer monthly.

**Criteria:** Effective accounting procedures and internal controls are necessary to ensure stewardship and accountability of public funds. Safeguarding controls are an aspect of internal controls. Safeguarding controls relate to the prevention or timely detection of unauthorized transactions and unauthorized access to assets. Failure to perform tasks that are part of internal controls, such as recording deposit transactions, are deficiencies in internal controls. Further, reconciliations with the County Treasurer should be performed on a monthly basis, and all differences in balance should be accounted for.



OFFICE OF THE STATE AUDITOR AND INSPECTOR

2300 N. LINCOLN BOULEVARD, ROOM 100

OKLAHOMA CITY, OK 73105-4896

[WWW.SAI.OK.GOV](http://WWW.SAI.OK.GOV)