

**STEPHENS
COUNTY
COMMISSIONER
DISTRICT 2
TURNOVER**

DECEMBER 10, 2008

**STATUTORY
REPORT**



Oklahoma State Auditor
& Inspector

**COUNTY OFFICER TURNOVER STATUTORY REPORT
FRANK KELLY
STEPHENS COUNTY COMMISSIONER
DISTRICT 2
DECEMBER 10, 2008**

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STATE AUDITOR AND INSPECTOR

STEVE BURRAGE, CPA
State Auditor

MICHELLE R. DAY, ESQ.
Chief Deputy



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February 9, 2009

BOARD OF COUNTY COMMISSIONERS
STEPHENS COUNTY COURTHOUSE
DUNCAN, OKLAHOMA 73533

Transmitted herewith is the Stephens County Commissioner, District 2, Officer Turnover Statutory Report for December 10, 2008. The engagement was conducted in accordance with 19 O.S. § 171.

We wish to take this opportunity to express our appreciation for the assistance and cooperation extended to our office during the course of our engagement.

The Office of the State Auditor and Inspector is committed to serve the public interest by providing independent oversight and to issue reports that serve as a management tool to the state to ensure a government which is accountable to the people of the State of Oklahoma.

Sincerely,

A handwritten signature in blue ink that reads "Steve Burrage". The signature is written in a cursive, flowing style.

STEVE BURRAGE, CPA
STATE AUDITOR & INSPECTOR

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Frank Kelly
Stephens County Commissioner, District 2
Stephens County Courthouse
Duncan, Oklahoma 73533

For the purpose of complying with 19 O.S. § 171, we have performed the following procedures for December 10, 2008:

- 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 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.

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, the amount of total claims approved for the operation of said Office was not in excess of limitations; and machinery and equipment acquisitions, dispositions, and expenditures were in accordance with statutory requirements. With respect to equipment items on hand agreeing with inventory records, and consumable items on hand agreeing with consumable inventory records, our findings are presented in the accompanying schedule of findings and responses.

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., section 24A.1 et seq.), and shall be open to any person for inspection and copying.

Sincerely,

A handwritten signature in blue ink that reads "Steve Burrage". The signature is written in a cursive style with a large initial "S" and a stylized "B".

STEVE BURRAGE, CPA
STATE AUDITOR & INSPECTOR

December 10, 2008

COUNTY OFFICER TURNOVER STATUTORY REPORT
FRANK KELLY
STEPHENS COUNTY COMMISSIONER
DISTRICT 2
DECEMBER 10, 2008

SCHEDULE OF FINDINGS AND RESPONSES

Finding 2009-1 – Fixed Asset Inventory

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 thereafter maintain or cause to be maintained a continuous inventory record...biennially thereafter, or oftener...”

Condition: The following equipment inventory items could not be located at the time of audit:

County ID Number	Description	Comment
220-0017	Compaq Deskpro	Possibly in storage
301-0028	Ford Styleside F250	Sold – Inventory not updated
302-120	Mack Truck	Traded in – Inventory not updated
032-121	Mack Truck	Traded in – Inventory not updated
302-131	Unknown Item	
220-030	Dell Computer	Possibly at courthouse, unable to verify

Effect: Inventory items were not accurately accounted for and the County’s assets may not be safeguarded.

Recommendation: OSAI recommends equipment inventory information be periodically reviewed, reconciled and updated, to detect errors and to maintain an accurate inventory record.

Views of responsible officials and planned corrective actions: All items have been accounted for or updated.

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Finding 2009-2 –Consumable Inventory Records

Criteria: Title 19 O.S. § 1502 prescribes the procedures to be used to account for supplies and materials used in the construction and maintenance of roads and bridges.

Condition: A discrepancy was noted when comparing District Barn consumable records to the physical counts.

<u>Description</u>	<u>Inventory Count</u>	<u>Physical Count</u>	<u>Variance Long (Short)</u>
3"x2"x16'Lumber	42	57	15

Effect: This condition could result in the misappropriation of County assets.

Recommendation: OSAI recommends that consumable inventory records be maintained for all items purchased in lots of \$500 or more. Additionally, transfer documents should be used to record items issued from consumable inventory.

Views of responsible officials and planned corrective actions: The consumable inventory has been updated and is correct.



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