

PETITION AUDIT REPORT

TOWN OF TATUMS

July 1, 2013 through June 30, 2015



Oklahoma State
Auditor & Inspector
Gary A. Jones, CPA, CFE

TOWN OF TATUMS
CARTER COUNTY, OKLAHOMA
CITIZENS PETITION REQUEST
JULY 1, 2013 THROUGH JUNE 30, 2015



Report Highlights

WHY WE CONDUCTED THE AUDIT

We performed the audit pursuant to a petition submitted by the citizens of the Town of Tatums in accordance with the requirements of **74 O.S. § 212(L)**.

KEY FINDINGS

- Town trustees received a total of \$9,225 of improper compensation during our audit period of July 1, 2013 through June 30, 2015. (Pg. 6)
- Supporting documentation could not be provided for travel cost and reimbursed expenses paid to trustees totaling \$2,956.90. (Pg. 8)
- The Town's public meetings, as documented through the board minutes, did not appear to provide adequate information of Town business to its citizens or properly record the attendance and votes of the Town trustees. (Pg. 4)
- The purchase of a lagoon sewage pump was not bid in compliance with Town Ordinances. (Pg. 9)
- Trustees do not live in the wards they represent in violation of **11 O.S. § 12-103**. (Pg. 12)
- Purchases were made without Board approval or competitive bidding as required by Town Ordinance. (Pg. 13)
- Checks are signed by only one Town official. (Pg. 13)
- Town Hall hours of operation are not posted as required by law. (Pg. 14)
- The Town appeared to have satisfied the requirements for reimbursement of the \$42,047.01 received to date under the Southern Oklahoma Development Association Grant. (Pg. 11)
- We found no evidence a diversion of funds had occurred from the Street and Alley account. (Pg. 3)
- We found no evidence that vehicles driven by Mayor Louis and Trustee Carter had been paid for by the Town. (Pg. 4)



Oklahoma State Auditor & Inspector

2300 N. Lincoln Blvd. • State Capitol, Room 100 • Oklahoma City, OK 73105 • Phone: 405.521.3495 • Fax: 405.521.3426

June 8, 2016

To the Petitioners and Citizens of the
Town of Tatums:

Pursuant to your request and in accordance with the requirements of **74 O.S. § 212(L)**, we performed a petition audit of the Town of Tatums. Transmitted herewith is our report. This report focused on the period July 1, 2013 through June 30, 2015.

The objectives of our audit primarily included, but were not limited to, the concerns noted in the citizen's petition. Our findings related to these objectives, are presented in the accompanying report.

Because the procedures of a petition audit do not constitute an audit conducted in accordance with generally accepted auditing standards, we do not express an opinion on the account balances or financial statements of the Town of Tatums for the period July 1, 2013 through June 30, 2015.

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.

This report is addressed to and is for the information and use of the petitioners and citizens of the Town of Tatums. This report is also a public document pursuant to the **Oklahoma Open Records Act** in accordance with **51 O.S. §§ 24A.1, et seq.**

Sincerely,

A handwritten signature in blue ink, appearing to read "Gary A. Jones".

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

TABLE OF CONTENTS

Introduction.....1

Background.....2

Objectives3

 1. Street and Alley Expenditures3

 2. Personal Use of Town Property3

 3. Board Meetings4

 4. Compensation of Town Officials.....6

 5. Lagoon Expenditures9

 6. Other Issues.....11

INTRODUCTION

The Town of Tatums (the “Town”) is organized and governed under the statutory town board of trustees form of government, as defined in **11 O.S. §§ 12-101 *et seq.*** which states:

The form of government provided by Sections 11-12-101 through 11-12-114 of this title shall be known as the statutory town board of trustees form of government. Towns governed under the statutory town board of trustees form shall have all the powers, functions, rights, privileges, franchises and immunities granted, or which may be granted, to towns. Such powers shall be exercised as provided by law applicable to towns under the town board of trustees form, or if the manner is not thus prescribed, then in such manner as the board of trustees may prescribe.

The Town is governed by a Board of Trustees which consists of three members. The Board elects from its membership one member to serve as the Town’s Mayor.

The Board of Trustees as of our report date consisted of:

- Ramona Louis, Mayor
- Pinkey Hurley, Vice-Mayor
- Lovie Carter, Trustee

BACKGROUND

In accordance with a “Citizen Petition Request for Special Audit” verified by the Carter County Election Board Secretary in a letter dated July 27, 2015, the Office of State Auditor and Inspector has conducted a petition audit of the Town of Tatums, primarily relating to the objectives and concerns listed in the accompanying *Table of Contents*.

The Citizen’s Petition of the Town of Tatums requested the following specific concerns be investigated as part of the State Auditor and Inspector’s Petition Audit:

1. Possible diversion of public funds designated for a specific purpose to other public functions including the street and alley fund.
2. Possible conversion of public property to personal use including two vehicles.
3. Review possible failure by public officials to provide adequate information to residents during public meetings including details surrounding payment of town obligations, receipt and expenditure of grant funds, and regular treasurer reports.
4. Review and provide an accounting of compensation paid to Town officials and board members.
5. Review and provide an accounting of expenditure of funds and projects completed related to the Town’s sewage lagoon.

In addition to the five objectives listed above that were addressed from the citizen’s petition, we also assessed additional concerns that came to our attention. These concerns are reported under Objective 6 – Other Issues.

OBJECTIVE 1

STREET AND ALLEY EXPENDITURES

Background

Objective 1 of the petition requested a review of the “Possible diversion of public funds designated for a specific purpose to other public functions including the street and alley fund.” The petitioner’s concern was that the Town’s streets were dirty and the grass was not cut, alleging that street and alley funds had possibly been diverted for other purposes.

Finding

We found no evidence a diversion of funds had occurred from the from the Street and Alley account.

In FY 14¹ and FY 15², \$1,202.09 and \$2,661.83 respectively, was expended out of the Street & Alley account. Over 88% of these funds appeared to have been spent on mowing, and upkeep of equipment for the Town’s streets.

Street & Alley is funded through gas excise taxes and taxes received via the County, with an average monthly deposit of less than \$150³. The Street & Alley Account deposits totaled \$2,106.60 and \$7,015.09 for FY14 and FY15 respectively.

On January 23, 2015, a deposit was made in to the Street & Alley Account of \$5,494.49. On January 26, 2015, a checking withdrawal was made from the Street & Alley Account of \$5,474.49, and a corresponding deposit made into the General Fund of the same amount.

A follow-up of these transactions indicated that the \$5,494.49 deposit into the Street & Alley account was in error and the corresponding deposit into the General Fund was a correction of that error. The error in part was the deposit of a grant fund reimbursement check due the General Fund of \$4,772.09, mistakenly deposited into the Street & Alley Account. No diversion of funds from the Street & Alley Account to the General Fund appeared to have occurred.

OBJECTIVE 2

PERSONAL USE OF TOWN PROPERTY

Background

Objective 2 of the petition requested review of the “Possible conversion of public property to personal use including two vehicles.” The petitioner’s

¹ FY14 - fiscal year ending 2014, July 1, 2013 through June 30, 2014

² FY15 - fiscal year ending 2015, July 1, 2014 through June 30, 2015

³ An average monthly deposit of \$151.13, not including the deposit of \$5,494.49 made in error.

concern was that vehicles driven by Mayor Ramona Louis and Trustee Lovie Carter had been paid for by the Town.

Finding **We found no evidence that the vehicles driven by Mayor Louis and Trustee Carter had been paid for by the Town.**

We found no evidence that any disbursements had been made from Town funds for the purchase of a vehicle. Both Mayor Louis and Trustee Carter stated they had personally purchased their vehicles and financed their purchases through personal loans.

Both vehicles were visually verified and possessed personal tags.

OBJECTIVE 3	BOARD MEETINGS
--------------------	-----------------------

Background Objective 3 of the petition requested that the State Auditor’s Office “Review possible failure by public officials to provide adequate information to residents during public meetings including details surrounding payment of town obligations, receipt and expenditure of grant funds, and regular treasurer reports.”

Public meetings in the State of Oklahoma are defined under the Open Meeting Act, **25 O.S. §§ 301-314**, with a purpose to encourage and facilitate an informed citizenry’s understanding of the governmental processes and governmental problems.

Finding **The Town’s public meetings, as documented through the board minutes, did not appear to provide adequate information of Town business to its citizens or properly record the attendance and votes of the Town trustees.**

Title **25 O.S. § 312A**. states:

A. The proceedings of a public body shall be kept by a person so designated by such public body in the form of written minutes which shall be an official summary of the proceedings showing clearly those members present and absent, all matters considered by the public body, and all actions taken by such public body. The minutes of each meeting shall be open to public inspection and shall reflect the manner and time of notice required by this act.

The board minutes for FY14 and FY15, were reviewed to determine the level of information discussed and documented at the Town’s meetings.

As required by statute, the minutes do not show clearly the members present and absent, and do not appear to document all discussion and action taken by the board. Some minutes reflected the approval of checks written; some approved the Treasurer’s report, and other times approval was of a financial report. However, no discussion of these documents was recorded in the minutes and no copies of the documents could be provided.

A listing of checks was found attached to some of the minutes, and noted as approved in the meeting. However, only on two occasions did the minutes identify what checks were actually approved. In addition, checks appeared to have been approved after they had already been issued.

Following is an example of a complete recording of the January 2014 minutes:

Town of Tatum
Minutes from January 14, 2014 Town Meeting
6672 State Highway 7
Mary Tatum Municipal Building
Tatum, Ok 73487-0047
6:00PM

Mayor Ramona Louis called the Town of Tatum general meeting to order. Roll call was taken and quorum was established. Pledge of Allegiance was said by all present and welcome was given to all present.

Written communications; none

1. Mayor Ramona Louis made a motion to pass and approve general funds. Motion was second by Vice Mayor Lovie Carter all in favor motion passed.
2. Mayor Ramona Louis and Celano Jones reported the current state of the city’s lagoon.
3. Mayor Ramona Louis made a motion to pass and approve minutes from December 10, 2013 general meeting. Motion was second by Vice Mayor Lovie Carter all in favor motion passed.

Meeting was adjourned.

Title 25 O.S. § 305, states, “In all meetings of public bodies, the vote of each member must be publicly cast and recorded.”

In nine meetings, motions were passed without any record of who voted for or against the motion. None of the minutes specifically recorded which trustees were present or absent, usually just stating “quorum was established.”

We recommend the Board become educated on the requirements of the Open Meeting Act, utilizing their Board meetings to discuss Town business fully and completely. Such actions should encourage and facilitate an informed citizenry.

The board should also adequately document trustee attendance and votes as required and more thoroughly document discussions held and decisions made in every Board meeting.

OBJECTIVE 4

COMPENSATION OF TOWN OFFICIALS

Background

Objective 4 of the petition requested a review and accounting of compensation paid to Town officials and board members. The Town is governed by a three-member board of trustees, the Town has no employees. Trustee Lovie Carter acts as the Town's clerk/treasurer.

Under **11 O.S. § 12-113**, "The compensation of all elective town officers shall be fixed by ordinance."

Town Ordinance 2-104(A) (6), states, "The Town Clerk shall receive a monthly stipend in the amount of \$50.00."

Town Ordinance 2-105(A) (3), states, "The Town Treasurer shall receive a monthly stipend in the amount of \$50.00."

According to **Town Ordinance 2-109**, elected council members may not receive *any* compensation other than expense reimbursements

SECTION 2-109

COMPENSATION OF MAYOR AND COUNCIL.

Compensation of elected officers of the town shall be as provided by the ordinances of the town. Elected officials may be reimbursed for expenses actually incurred by them in performance of their official duties; however, no council member may receive compensation as council member or for any other service rendered the town, other than as expenses.

Finding

Town trustees received a total of \$9,225 of improper compensation during our audit period of July 1, 2013 through June 30, 2015.

As noted above, according to Town Ordinance, council members *may not* receive any compensation for their elected position or for any other services rendered the Town, other than reimbursement of expenses.

The trustees of the Town each received the following compensation for their elected positions:

Mayor Ramona Louis

Mayor Ramona Louis was a trustee for the 24-month period of July 1, 2013 through June 30, 2015, our audit period. During this time, Mayor Louis was paid a \$50 per month stipend and a \$500 bonus each year for her position as a trustee, for a total of \$1,100 per year, or **\$2,200** total improper compensation paid over a two-year period.

Trustee Pinkey Hurley

Trustee Pinkie Hurley was appointed as a trustee on July 13, 2013 and remained in that position for the next 23 months of our audit period of July 1, 2013 through June 30, 2015. During this time, Hurley was paid a \$50 per month stipend and a \$500 bonus each year for his position as a trustee, for a total of \$1,050 in 2014 and \$1,100 in 2015, or **\$2,150** of total improper compensation over a two-year period.

Trustee Lovie Carter

Trustee Lovie Carter was a trustee for the 24-month period of July 1, 2013 through June 30, 2015, our audit period. During this time, Carter was paid a \$50 per month stipend and a \$500 bonus each year for her position as a trustee, for a total of \$1,100 in 2014 and 2015, or \$2,200 of total improper compensation over the two-year period.

In July 2013, in addition to her position as a Town trustee, Carter was appointed as the Town clerk/treasurer. Under **11 O.S. § 8-106** Trustee Carter could hold the position of clerk/treasurer, but should not receive compensation for that service, or any service outside of her elected office.

Title 11 O.S. § 8-106 states in part,

“...A person may hold more than one office or position in a municipal government as the governing body may ordain. A member of the governing body shall not receive compensation for service in any municipal office or position other than his elected office.”

As clerk/treasurer, Carter was paid a \$50 per month stipend in FY14 and FY15, and a \$500 bonus in FY15, for a total of \$550 in FY 2014 and \$1,100 in FY 2015, or \$1,650 of improper compensation as clerk/treasurer over the two-year period.

Carter also received four payments during FY14 and FY15 on checks containing notations of “clerk duties”, for an additional \$925 of improper compensation over the two-year period.

The total unauthorized compensation received by Trustee Lovie Carter for her duties as a trustee and as clerk/treasurer during FY14 and FY15 was \$4,775.

Former Trustee Jacqueline Williams

Former Trustee/Mayor Jacqueline Williams resigned her position on July 13, 2013. At the time of her resignation she was also serving as the Town clerk/treasurer. For the month of July 2013, Trustee Williams received a \$50 stipend for her trustee position and a \$50 stipend for her clerk/treasurer position, for a total unauthorized compensation of \$100 during our audit period.

Finding

Supporting documentation could not be provided for travel cost and reimbursed expenses paid to trustees totally \$2,956.90.

As noted above, per **Town Ordinance Section 2-109**, Town officials may be reimbursed for expenses incurred in the performance of their official duties. Although reimbursement for expenses was allowable, the expenses reimbursed were not supported with proper invoices or receipts, and did not include justification of a Town purpose.

Mayor Ramona Louis

In FY14, Mayor Louis received a payment of \$95 on check #6785 noted as “Travel” and two checks totally \$50.11 noted as “Supplies” and “Reimbursement”. In FY15, Mayor Louis received six checks totaling \$302.80 noted as “Travel”, none of the payments contained proper supporting documentation. Total reimbursed for both fiscal years was \$447.91.

Trustee Pinkie Hurley

In FY14 Trustee Hurley received check #6706 for \$75, no notation or support was provided. In FY15 Hurley received two checks totaling \$175 noted as reimbursements, none of the payments contained proper supporting documentation. Total reimbursed for both fiscal years was \$250.

Trustee Lovie Carter

In FY14 Trustee Carter received \$737.08 in travel expenses and \$122.07 in miscellaneous reimbursement payments. In FY15 Carter received \$1,096.58 in travel expenses and \$303.26 in miscellaneous payments, none of the payments contained proper supporting documentation. Total reimbursed for both fiscal years was \$2,258.99.

According to Trustee Carter, she did not have any written documentation for her travel expenses. She stated that her travel was for training, attending the Black Mayors Conference, visits to Ardmore to meet with the city clerk, and travel related to the SODA grant, but that she had not maintained the supporting documentation.

Trustee Carter stated that she had seen the receipts for the reimbursements presented by Mayor Louis and Trustee Hurley, but did not keep a copy of any of the documentation.

OBJECTIVE 5

LAGOON EXPENDITURES

Background

Objective 5 of the petition requested a review and accounting of the expenditure of funds and projects completed related to the Town's sewage lagoon.

The Town did not maintain records or files detailing funds spent and projects completed on the sewage lagoon. As an alternative, we reviewed General Fund and Street & Alley bank statements for checks noted as lagoon expenses.

From the General Fund account, we identified approximately \$1,439.35 and \$11,610.40 of checks with notations of lagoon expense, in FY14 and FY15 respectively.

From the Street & Alley account, we noted no lagoon related expense in FY14 and approximately \$500 of lagoon related expense in FY15.

Finding

The purchase of a lagoon sewage pump was not bid in compliance with Town Ordinances.

We noted one major purchase made for the lagoon during the two year period of July 1, 2013 through June 30, 2015.

**TOWN OF TATUMS
PETITION AUDIT
DATE OF RELEASE: JUNE 8, 2016**

On June 4, 2014, the Town ordered a sewage pump, including related materials and labor for \$7,010.67. On July 25, 2014, a control panel for the sewage pump was ordered in the amount of \$2,725.18. The total sewage pump and controls cost totaled \$9,735.85.

Each invoice referenced the other and both were paid through a deposit of \$2,500 made toward the purchases on July 17, 2014, followed by monthly payments of \$500 until paid in full.

Invoice 122475 referred to a “CONTROL PANEL TO BE BILLED ON SEPARATE INVOICE”:

TOWN OF TATUMS PO BOX 47 6672 STATE HWY 7 TATJMS, OK 73487		TOWN OF TATUMS PO BOX 47 6672 STATE HWY 7 TATUMS, OK 73487		Terms	Salesman	Ordered	Required	Reference Number	Ship Via	F.O.B.	Order Number
				SPECIAL TERMS		06-04-2014	06-13-2014	DH RJ		OUR DOCK	42977
Item Number	Description	UM	Quantity Ordered	Quantity Shipped	Tax	Unit Price	UP	Extended Price			
<p>CUSTOMER PREPAID \$2,500 WITH CK # 6847 ON 07/17/14 FOR DEPOSIT ON ORDER WITH BALANCE TO BE PAID IN INCREMENTS OF \$500.00 PER MONTH.</p> <p>CONTROL PANEL TO BE BILLED ON SEPARATE INVOICE</p>											
WS3034D4	GOULDS SEWAGE 3HP 460V 3PH 4" CHANGED PUMP TO 230V	EA	1.00	1.00	Y	4,252.00000	EA	4,252.00			
H1114121											
ACHN5S30	30' SS CHAIN KIT	EA	1.00	1.00	Y	415.00000	EA	415.00			
035440001	GASKET, GUIDE RAIL HYDROMATIC	EA	1.00	1.00	Y	200.00000	EA	200.00			
LABOR	LABOR	EA	1.00	1.00	N	550.00000	EA	550.00			
RENTAL	PUMP RENTAL	EA	1.00	1.00	Y	200.00000	EA	200.00			
4X2 7/8 FLANGE	4" X 2 7/8" FILLER FLANGE	EA	1.00	1.00	Y	280.56000	EA	280.56			
020-4SSWSS	4" SS WAFER STUD SET	EA	1.00	1.00	Y	51.60000	EA	51.60			
020-4FFFG	4" X 1/8" FULL FACE FLANGE GSK	EA	1.00	1.00	Y	5.50000	EA	5.50			
020-6FFFG	6" X 1/8" FULL FACE FLANGE GSK	EA	1.00	1.00	Y	7.40000	EA	7.40			
LABOR	ADAPT & INSTALL SLIDE RAIL	EA	1.00	1.00	N	1,000.00000	EA	1,000.00			

Invoice 123154 for the control panel referred to the original invoice #122475 and the combined payment of both.

Bill-To		Ship-To		Terms	Salesman	Ordered	Required	Reference Number	Ship Via	F.O.B.	Order Number
TOWN OF TATUMS PO BOX 47 6672 STATE HWY 7 TATUMS, OK 73487		TOWN OF TATUMS PO BOX 47 6672 STATE HWY 7 TATUMS, OK 73487		NET 30		07-25-2014	08-01-2014	ROMONA-DH	CUST PICK UP	OUR DOCK	44343
Item Number	Description	UM	Quantity Ordered	Quantity Shipped	Tax	Unit Price	UP	Extended Price			
<p>THIS INVOICE IS FOR ADDITIONAL EQUIPMENT MENTIONED ON ORIGINAL INVOICE # 122475.</p> <p>THIS INVOICE TO BE ADDED TO PRIOR BALANCE AND THE NEW BALANCE IS TO BE PAID IN INCREMENTS OF \$500 MONTHLY PER ORIG AGREEMENT.</p>											
D31016	3PH, 10-16AMPS; CONTROL PANEL	EA	1.00	1.00	Y	2,129.00000	EA	2,129.00			
A2E53	15amo 30'bare cord	EA	4.00	4.00	Y	102.00000	EA	408.00			
FSB4FB	float switch brkt w/snubber	EA	1.00	1.00	Y	72.00000	EA	72.00			
A2WT	GOULDS CABLE WEIGHT	EA	4.00	4.00	Y	17.00000	EA	68.00			

The purchase of the pump and control panel should have been one transaction, and as such exceeded the Town Ordinance governing bid limits of \$7,500.

Town Ordinance 7-203.C. states in part:

Before a contract shall be entered into, or any such purchase made involving the expenditure of more than Seventy Five Hundred Dollars (\$7500.00) ...such contract or sale shall:

1. Be approved by the Town Council;
2. Be submitted for competitive bidding.

OBJECTIVE 6

OTHER ISSUES

Grant

Background

In addition to petition stated objectives, the petitioner also expressed concern over the expenditures made in relation to a grant received by the Town from the Southern Oklahoma Development Association (SODA).

In a letter dated November 3, 2014, Tatums was awarded a \$50,000 grant from SODA for improvements on the municipal building. According to SODA officials, Tatums was to obtain quotes and remit them to SODA for an advance on grant funds. Once the work was complete, Tatums was to request reimbursement, by providing checks and invoices for support of the transactions. Additional payments, or deductions of advances, were made as needed.

Finding

The Town appeared to have satisfied the requirements for reimbursement of the \$42,047.01 received to date under the SODA Grant.

SODA provided a spreadsheet of the funds paid under the grant as of March 2016. According to SODA, Tatums had received reimbursement for \$42,047.01 in grant fund expenditures.

A breakdown of these expenditures, from the records of SODA, is shown below. Total grant funds awarded was \$50,000, remaining funds available is \$7,952.99.

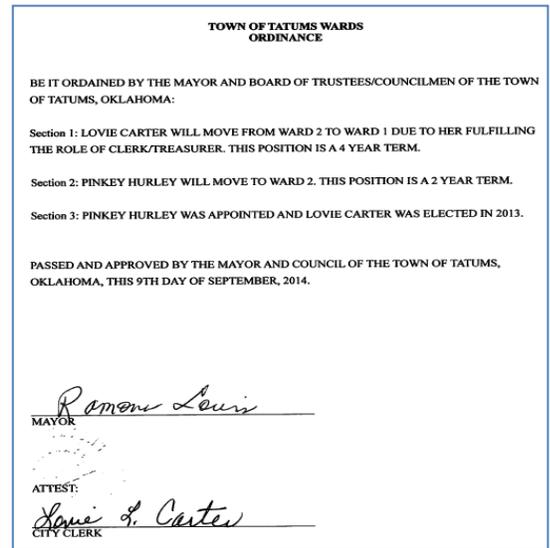
Grant Purpose	Town's Estimated Expense	Actual Town Expenditure	Reimbursed by SODA
Office Furniture	\$4,772.90	\$5,889.99	\$5,889.99
Electrical Service	\$17,759.15	\$15,786.32	\$15,786.32
Painting	\$4,100.00	\$4,580.70	\$4,580.70
AC Units	\$15,790.00	\$15,790.00	\$15,790.00
Total	\$42,422.05	\$42,047.01	\$42,047.01

Trustee Position and Ward Assignments

Background

During the course of our review, we noted an unnumbered ordinance signed September 9, 2014, by Mayor Ramona Louis. In this ordinance, Trustee Lovie Carter was transferred from Ward 2 to Ward 1 and Trustee Pinky Hurley was transferred to Ward 2.

The Ordinance states that it was “passed and approved by the mayor and council of the Town of Tatum...” We did not find approval of the Ordinance in the board minutes.



Finding

Trustees do not live in the wards they represent in violation of 11 O.S. § 12-103.

Based on the ward map and boundary descriptions from the Town’s book of ordinances and the addresses of the trustees provided by Mayor Ramona Louis, Mayor Louis lives in Ward 1, Trustee Carter lives in Ward 2, and Trustee Hurley lives in Ward 3.

After implementation of the ordinance assignments referenced above, none of the trustees live in the ward they represent.

Trustee	Lives in	Represents
Ramona Louis	Ward 1	Ward 3
Lovie Carter	Ward 2	Ward 1
Pinky Hurley	Ward 3	Ward 2

According to **11 O.S. § 12-103**,

The trustees who are nominated from wards shall be actual residents of their respective wards.

Town Ordinance Section 2-101 provides:

The town is governed under the statutory town board of trustees form of government....The Town Council shall consist of three (3) members, one from each ward of the town.

In our review of the ward assignments we noted that the “Oath of Office” had been given at a board meeting on April 14, 2015. We requested confirmation of the 2015 election held by the Town. Trustee Carter stated they had been told by the election board that election results only had to be maintained for six months; as such, no election documentation could be provided.

According to a representative of the Carter County Election Board, Tatums holds their own elections; the Election Board does not assist in the process and the results are not certified by the Election Board.

Board Approval

Finding

Purchases were made without Board approval and without competitive bidding as required by Town Ordinance.

Town Ordinance 7-203 requires that any contract or purchase exceeding \$1,500 shall be approved by the Town Council. Purchases or contracts for more than \$7,500 are subject to council approval and competitive bidding.

Tatums received a \$50,000 SODA grant for work on the municipal building in November 2014. Several expenditures for the grant exceeded the \$1,500 limit and in a few instances, exceeded the \$7,500 limit; however, we did not find any evidence in the minutes of council approval for the purchases or of competitive bidding.

Check Signing

Finding

Checks are signed by only one Town official.

All checks issued by the Town are signed by only one official. We recommend the Town require two signatures on all checks written. Dual

signatures on all checks will help increase the Town's oversight of expenditures and more adequately safeguard Town assets.

Town Operating Hours

Finding

Town Hall hours of operation are not posted as required by law.

According to Trustee Lovie Carter, Town Hall does not have set hours of operation. We did not find any type of notice on the doors at the municipal building designating when Town records are available and what procedure has been determined for the citizen's access to records.

According to statute, if a public body does not have regular business hours of at least 30 hours, the public body shall post and maintain a written notice at its principal office and with the county clerk. Title **51 O.S. § 24A.6** specifically requires:

A. If a public body or its office does not have regular business hours of at least thirty (30) hours a week, the public body shall post and maintain a written notice at its principal office and with the county clerk where the public body is located which notice shall:

1. Designate the days of the week when records are available for inspection, copying or mechanical reproduction;
2. Set forth the name, mailing address, and telephone number of the individual in charge of the records; and
3. Describe in detail the procedures for obtaining access to the records at least two days of the week, excluding Sunday.

B. The person requesting the record and the person authorized to release the records of the public body may agree to inspection, copying, or mechanical reproduction on a day and at a time other than that designated in the notice.

We recommend the Town establish and post the days of the week records will be available for inspection, the procedure required for obtaining access to the records, and the name of the individual in charge of those records. Such information should also be filed with the county clerk of Carter County.

DISCLAIMER

In this report, there may be references to state statutes and legal authorities which appear to be potentially relevant to the issues reviewed by this Office. The State Auditor and Inspector has no jurisdiction, authority, purpose, or intent by the issuance of this report to determine the guilt, innocence, culpability, or liability, if any, of any person or entity for any act, omission, or transaction reviewed. Such determinations are within the exclusive jurisdiction of regulatory, law enforcement, and judicial authorities designated by law.



OFFICE OF THE STATE AUDITOR & INSPECTOR
2300 N. LINCOLN BOULEVARD, ROOM 100
OKLAHOMA CITY, OK 73105-4896

WWW.SAI.OK.GOV