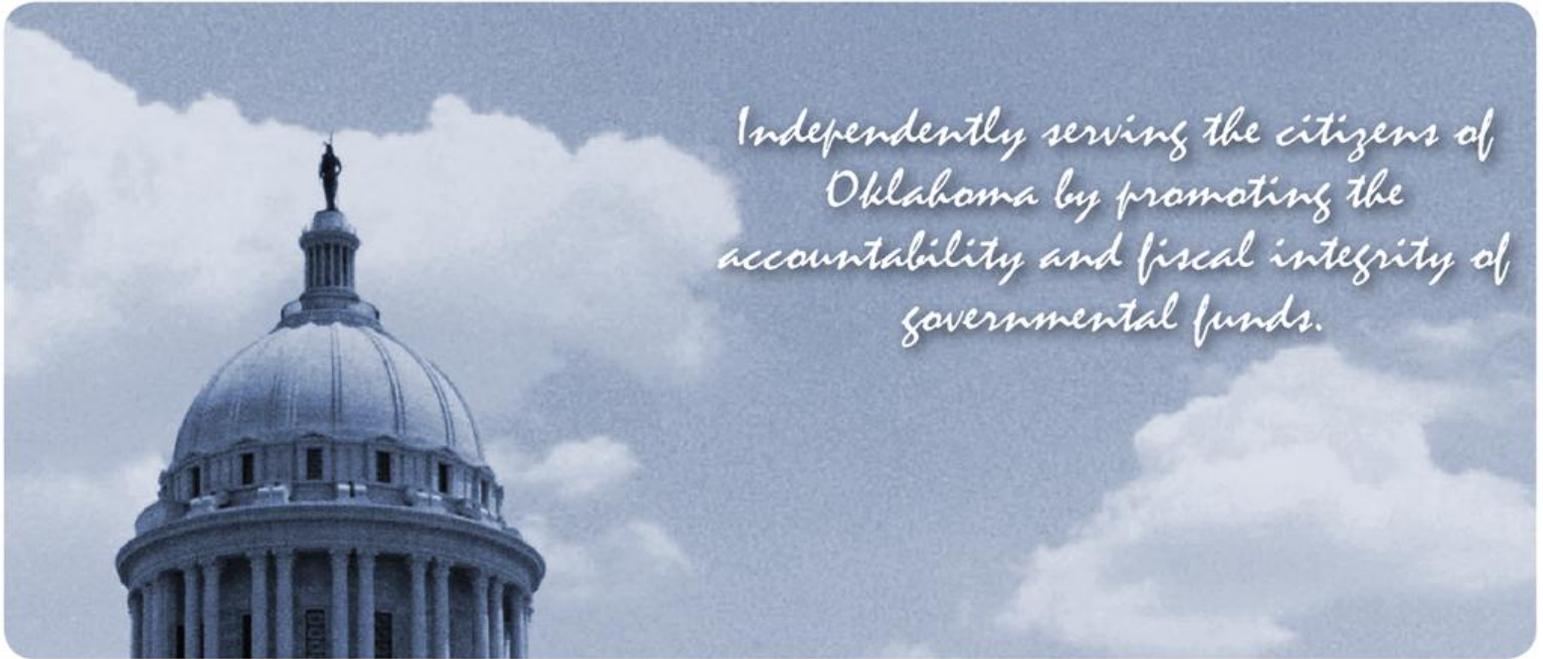


INVESTIGATIVE REPORT

# TEXAS COUNTY TREASURER

December 1, 2008 through September 30, 2009



*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

**TEXAS COUNTY TREASURER**  
**INVESTIGATIVE REPORT**  
**DECEMBER 1, 2008 THROUGH SEPTEMBER 30, 2009**

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# Oklahoma State Auditor & Inspector

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

March 21, 2014

The Honorable James M. Boring  
District Attorney, District #1  
319 North Main  
Guymon, Oklahoma 73942

Transmitted herewith is our Investigative Report of the Texas County Treasurer.

Pursuant to your request and in accordance with the requirements of **74 O.S. 2011, § 212 (H)**, we performed an investigation with respect to the Texas County Treasurer for the period December 1, 2008 through September 30, 2009.

The objectives of our investigation primarily included, but were not limited to, the areas of concern expressed by the District Attorney's Office. Our findings and recommendations related to those objectives are presented in the accompanying report.

Because investigative procedures 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 Texas County Treasurer for the period December 1, 2008 through September 30, 2009.

The Office of the State Auditor and Inspector is committed to serve the public interest by providing independent oversight and by issuing reports that serve as a management tool to the State. Our goal is to insure a government, which is accountable to the people of the State of Oklahoma.

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

This report is addressed to and intended solely for the information and use of the District Attorney, and other state or local officials given oversight responsibilities, as provided by statute. 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.

Sincerely,

A handwritten signature in blue ink that reads "Gary A. Jones".

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

**TABLE OF CONTENTS**

	<b>page</b>
Introduction.....	1
Background.....	2
Objectives and Findings.....	23

**OBJECTIVES**

<b>I.</b> Verify that an alleged misappropriation of property tax payments occurred during the collection period for the 2008 ad valorem taxes (Dec-08 through Sep-09).....	23
<b>II.</b> Review what actions, if any, were taken by the county treasurer to address the alleged misappropriation. ....	8
<b>III.</b> Conclusion .....	11

**Introduction**

The Texas County Treasurer is tasked with the billing and collection of property taxes for county government, public school districts, and other public entities in Texas County that receive proceeds from a statutory or a voter approved ad valorem tax levy. **Title 68, Articles 28 through 31**, describe the ad valorem tax recordkeeping system and procedures.

Rita Wise is the long-time Texas County Treasurer, having begun working in the treasurer's office as an employee in 1983. She was first elected to the office in the August 1994 primary election and began her first term July 1, 1995.

Texas County is one of four counties in District Attorney District #1. James M. Boring serves as the District Attorney for District #1.

On September 8, 2009, District Attorney Boring requested the State Auditor and Inspector conduct an investigative audit of the Texas County Treasurer's Office for December 1, 2008, "up to the current date." The request concerned allegations related to the 2008 property tax billing and collection cycle, based on ad valorem property values assessed in January 2008.

The request was subsequently suspended one month later, on October 21, 2009, pending an OSBI investigation. On January 30, 2014, the District Attorney renewed his earlier request.

As a result of the renewed request by the District Attorney, the OSAI Special Investigative Unit conducted an investigative audit. The results are in the following report.

**Background**

The ad valorem taxation for real estate and personal property is administered by the County Assessor and County Treasurer offices with oversight provided by the Oklahoma Tax Commission.

According to the Oklahoma State University (OSU) handbook for county treasurers, the timeline for collection of property taxes in Oklahoma and the duties of the county treasurer’s office are generally as follows:

Before October 1	Receive from the County Assessor the tax rolls and an abstract of the tax rolls. The County Assessor also delivers a copy of the abstract to the County Clerk.
November 1	Mail or mail electronically a statement of ad valorem taxes within thirty days after the tax rolls have been completed and received by the County Treasurer from the County Assessor.
November 1	Begin collecting ad valorem tax payments.
January 1	If at least one-half of the tax bill is not paid [before] January 1, the entire bill becomes delinquent.
January 1 or January 16	Begin to charge interest on delinquent tax bills.
Before March 31	Mail out “second half” statements or notices for taxpayers who paid the “first half” by January 1.
April 1	If the second half of the tax bill is not paid before April 1, the tax becomes delinquent.
April 1 or April 16	Begin to charge interest on delinquent tax bills.
Between April 1 and June 1	Notify delinquent personal property taxpayers by mail within sixty days after April 1, and publish a notice of personal property tax delinquency in a newspaper of general circulation in the county.

**Objective I:** Verify that an alleged misappropriation of property tax payments occurred during the collection period for the 2008 property taxes (Dec-08 through Sep-09).

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- Findings:**
- In late March and early April of 2009, after notices of “2<sup>nd</sup> half” taxes due were issued for unpaid 2008 property taxes, a number of taxpayers came to the treasurer’s office indicating they had paid their property tax. Some had “stamped paid” tax statements to present as proof that they had paid their taxes earlier. A total of 20 tax statements, *most* in question, amounted to \$4,603.02.
  - A comparison of the *original* approximately 40 tax statements or receipts in question with tax roll “adjustments” indicated several of the tax account balances had been reduced to \$-0- through adjustments coded as “clerical error.”
  - Additional review of documentation for tax roll adjustments indicated that *only three* (3) of sixty-eight (68) adjustments posted by a former treasurer employee were supported by documentation on file with the county assessor, the county clerk, and/or the county treasurer. We concluded these adjustments, totaling \$8,087.20, were questionable and likely unauthorized.
  - In combining the two issues of tax statements stamped “paid” but not posted and the undocumented “adjustments,” we estimated a potential misappropriation of \$12,690.22. This estimate includes questioned transactions identified separately under both issues and does not involve any “overlap” of questioned amounts.
  - Some tax statements printed in subsequent tax years continue to indicate the notice of “Delinquent for 2008...” which can cause complications for mortgage loan applications, as well as other issues.
- 

**Finding #1** In late March and early April of 2009, after notices of “2<sup>nd</sup> half” taxes due were issued for unpaid 2008 property taxes, a number of taxpayers came to the treasurer’s office indicating they had paid their property tax. Some had “stamped paid” tax statements to present as proof that they had paid their taxes earlier. A total of 20 tax statements, *most* in question, amounted to \$4,603.02.

According to the OSU Extension handbook for county treasurers:

Ad Valorem taxes are due and payable on November 1 of each year. One-half of the tax bill must be paid before January 1, and

the second half must be paid before April 1. However, if at least one-half of the tax bill is not paid before January 1, the entire tax bill becomes delinquent. If the second half of the tax bill is not paid before April 1, the unpaid amount becomes delinquent.

The taxpayer has the option to pay the first half of real estate and personal property taxes by January 1, with the amount due for the second half then delayed until April 1. In a normal billing and collection cycle, the treasurer's office will review unpaid tax balances and send notices to taxpayers in March to remind them that the April 1 due date for the second half payments is approaching.

In March 2009, when the "second half" reminders were sent out according to the normal procedure, a number of taxpayers started to come to the treasurer's office with complaints that they had already paid their taxes. These occasional visits by taxpayers continued through the summer months.

The number of questioned tax statements totaled approximately 40 by August 2009. After reviewing this group, we selected 20 that had the clearest discrepancies. The total of the 20 "stamped" receipts or statements in question amounted to \$4,603.02. Of these 20 tax statement records, 15 indicated "cash" as the mode of payment and 5 had no indication of the type of payment. [See Attachment #1]

For example, one particular taxpayer presented stamped statements for payment of personal and real estate taxes on December 23, 2008. He paid cash. His personal tax item #36022 in the amount of \$39.19 was posted as paid on December 24, 2008. The real estate tax item #691 in the amount of \$428.37 was not posted with the personal tax collection.

**Finding #2**

**A comparison of the *original* approximately 40 tax statements or receipts in question with tax roll "adjustments" indicated some of the tax account balances had been reduced to \$-0- through adjustments coded as "clerical error."**

Mistakes can occur in any process that involves multiple procedures and steps. Once county tax rolls are transferred by the county assessor to the county treasurer, statutes provide that only the board of tax roll corrections or the county assessor can authorize changes to those tax rolls.

The board of tax roll corrections must approve a "certificate of error" or erroneous assessment, in accordance with **68 O.S. § 2871**. The county assessor must submit a "correction of clerical error" in accordance with **68 O.S. § 2874** for errors that generally do not involve changes to the tax roll

*amount.* These documents are initiated by the county assessor and submitted to the county treasurer to make the authorized changes to the tax roll records. For clerical errors and “omitted property,” the forms are forwarded directly to county treasurer. Other adjustments must be approved by the board of tax roll corrections and then given to the county treasurer.

In a report of tax roll adjustments for the 2008 tax year, we noted “clerical error” adjustments reducing or zeroing the amount of taxes due for some of the original approximately 40 tax statements provided by taxpayers who claimed payments were made. According to the OSU Treasurer’s handbook, “Clerical errors are usually defined to be those errors *that do not affect taxes due.* These errors include name changes, legal description changes, and address changes.” [emphasis added]

All four of the clerical error adjustments reducing tax due amounts were apparently posted on the system by a former treasurer employee under the login “SEC.” Consequently, this finding resulted in a more thorough review of the documentation supporting the tax roll adjustments for the 2008 tax year, and the collection period of December 2008 through September 2009. [See Attachment #2]

**Finding #3**

**Additional review of documentation for tax roll adjustments indicated that *only three (3) of sixty-eight (68) adjustments posted by a former treasurer employee were supported by documentation on file with the county assessor, the county clerk and/or the county treasurer. We concluded these adjustments totaling \$8,087.20 were questionable and likely unauthorized.***

As noted in Finding #2, four of the questioned tax statements had adjustments entered to reduce the amount of tax due. We reviewed the documentation for the 2008 tax year from the three county officials charged with keeping files and records for tax roll changes. In all, there were 68 tax roll adjustments entered under the login of “SEC.” We located documentation for only three of these 68 entries, or less than 5% of these adjustments to the tax rolls.

Of the 65 entries with no supporting documentation, 41 were “clerical errors” (CE) that were not supposed to affect the tax roll *amount.* Ten were “bankruptcy” entries (BANK), but no bankruptcy documentation was filed for the tax accounts adjusted. Six were for alleged erroneous assessments (EA). Seven showed the “ADJCERT” code, and one showed the “ADJ” code.

In addition, there was a single adjustment entry under the login of “DVS.” Darla Summers, the first deputy, was not assigned the task of performing data entry for tax roll adjustments. The single entry was questionable, because 1) it was the only entry under this login; 2) it was posted as a “clerical error” that once again *reduced* a tax due amount by \$204.49; and 3) there was no adjustment document to support the tax roll change. After review of the adjustment program, the entry under the login of “DVS” appeared to be an inadvertent change of the original login that occurred during an inquiry conducted by Summers in March 2009.

Combined, these sixty-six (66) undocumented tax roll changes reduced taxes due by \$8,087.20. As with any type of billing and accounts receivable software program, undocumented changes that reduce accounts receivable balances, in this case tax due balances, have the potential to be fraudulent bookkeeping entries used to conceal missing collections which were diverted rather than being posted to the system as payments.

**Finding #5**

**In combining the two issues of tax statements stamped “paid” but not posted and the undocumented “adjustments,” we estimated a potential misappropriation of \$12,690.22. This estimate includes questioned transactions identified separately under both issues and does not involve any “overlap” of questioned amounts.**

The total of the 20 questionable “stamped paid” tax statements was \$4,603.02. The total of the 66 undocumented tax roll adjustments was \$8,087.20. The total of questioned transactions identified in our review of the two issues equals \$12,690.22. We reviewed these as separate populations of questioned transactions and were careful to eliminate any “overlap” between the two groups.

We requested a current “delinquent” list of personal and real estate tax items that continue to show “unpaid” balances. Included in this list of 2008 delinquent tax balances could be additional instances of misappropriation in which taxpayers either did not question the issue, did not have their balance reduced by “adjustment,” or perhaps may have moved from the area and were unaware that a delinquent tax balance was being reported under their name.

**Finding #6**

**Tax statements printed in subsequent tax years continue to indicate the notice of “Delinquent for 2008...” which can cause complications for mortgage loan applications, as well as other issues.**

We interviewed past and present treasurer office staff. Each year since 2009, there are a number of taxpayers who raise questions upon finding that their current tax statements continue to show a “delinquent” for real

estate and/or personal property taxes for the 2008 tax year. [See Attachment #3 for an example.]

Included among these tax items that show delinquent 2008 taxes are 12 of the 20 stamped statements. These 12 were not “adjusted” to \$-0- balances in the tax roll adjustment program. This raises the issue of how many of the 2008 delinquent tax items could be additional missing payments for which the taxpayer could not produce a “stamped” statement, did not want to draw attention to themselves by complaining, or did not report their missing payment(s) for some other reason.

We asked for tax history reports for a number of the identified taxpayers for the 2006, 2007, 2008, and 2009 tax years. [See Attachment #4 for this analysis.] Without exception, we noted the county treasurer’s tax records show these taxpayers have paid their tax bills consistently in 2006, 2007 and again in 2009. The questioned transactions were *limited to the 2008 tax year* for these taxpayers.

Based on this review, the tax records support the assertions made by these taxpayers that they did indeed pay their 2008 tax bill(s) in the same manner and generally same time frames as the other years. The absence of all or “half” of their payments for the 2008 tax year is conspicuous by contrast and supports the conclusion that a misappropriation of some tax collections did occur during the period of December 2008 through September 2009.

**Objective II: Review what actions, if any, were taken by the county treasurer to address the alleged misappropriation.**

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- Findings:**
- The proper authorities were not notified, and the county treasurer did not initiate a thorough internal review.
  - Rather than notifying the proper authorities, there were two efforts to address some of the taxpayer complaints. These efforts can best be described as “ill-advised.”
  - Because no formal review or investigation was conducted, no claim could be filed on the county’s insurance coverage for employee dishonesty in order to recover identified losses.
  - The response by the county treasurer was inadequate for the seriousness of the situation.
- 

**Finding #1 The proper authorities were not notified, and the county treasurer did not initiate a thorough internal review.**

As noted in our introduction, the State Auditor and Inspector was notified of allegations concerning the treasurer’s office and was requested to perform an investigative audit pursuant to a District Attorney letter dated September 8, 2009. During the same month, the OSAI Weatherford District office received a phone call from a county commissioner with the same concern.

The original D.A. request was suspended in October 2009, and the investigation was assigned to another state agency. By statute, OSAI cannot initiate an investigation, unless requested by certain state officials and/or the governing board of a public entity.

Since preliminary estimates indicated the questioned transactions amounted to less than \$10,000, and because the investigation was assigned to another state agency, OSAI continued to perform the statutorily required county financial statement audits, operational audits, and limited treasurer reviews and to issue these reports.

OSAI has no record of any contact or notification *from the county treasurer*, alerting our office of the allegation or asking for assistance to evaluate the allegation. This lack of notification was despite *repeated* “inquiries of management and others,” which are required by audit standards to be performed during our financial statement or operational

audits and by our audit procedures for limited treasurer reviews. Each of our statutory audits and/or treasurer reviews performed since 2009 provided an opportunity for the county treasurer to bring the issue to OSAI's attention and request assistance.

Neither the District Attorney nor other county officials were consulted with or notified by the county treasurer concerning the FY08-09 (tax year 2008) allegations. Interviews with past and present treasurer staff members indicated the lack of notification and consultation was a management decision made by the county treasurer and communicated to the staff. Also, no thorough *internal review* was pursued to evaluate the validity of the taxpayer complaints.

**Finding #2**

**Rather than notifying the proper authorities, there were two efforts to address some of the taxpayer complaints. These efforts can best be described as "ill-advised."**

Although other authorities were not contacted by the county treasurer, there were two attempts made to address some, but not all, of the taxpayer complaints. These two efforts occurred in late July and late August of 2009.

The county treasurer's office is also responsible for the "official depository" of the county. Collections of money by other officers and departments of the county are delivered to the county treasurer to hold until the end of the month "apportionment" process. These collections by other officials are deposited in a bank account titled "official depository" which is separate from the "general bank account" in which various taxes (personal and real estate taxes, sales tax, fuel taxes, etc.) and other miscellaneous collections are deposited.

On July 28, 2009, voucher (i.e. check) #7503 was issued on the "county treasurer" account within the official depository to pay the balance due on tax ID #2088, in the amount of \$379.32. This tax ID number was among the group of questioned tax statements and showed a date paid stamp of May 6, 2009; however, no payment was posted to the account in May. The money to back this voucher resulted from prior outstanding vouchers that had been issued for a variety of reasons, but the vouchers were never cashed or deposited by the payees, consequently leaving a balance in the account.

On August 31, 2009, \$1,800.00 in cash was brought to the office by the county treasurer and applied to seven tax bills of four separate taxpayers. In an interview, the county treasurer indicated the cash was her personal

cash, and that she provided the cash because she was the public official responsible for the office.

She explained that she only paid for those tax statements that had a “paid” stamp *and* the initials of one of her staff. She had not paid for the statements that only had a “paid” stamp, believing that the stamp alone, without a staffer’s initials, was insufficient proof of payment. The cash was her attempt to address some of the controversy arising from apparent property tax collections which had not been subsequently posted to the tax records as payments.

A total of \$1,409.99 was posted for the seven tax balances due and seven actual tax receipts were generated for those accounts that were dated as of August 31, 2009. According to interviews, tax items #36176 and #2509, totaling \$327.39, were also going to be paid on August 31, 2009, but these items were not included that day, and the balances are still listed as “delinquent” in the tax system. These two items did not have “initials,” although one of the office staff could confirm and was adamant that the taxpayer had been in and had paid. [See Attachment #3]

Assuming these two efforts to address the brewing controversy in the summer of 2009 were well intended, the decision to somehow “make good” on some of the claims being presented by these various taxpayers was both imprudent and misguided. It appears that an investigation was required to determine the true nature of the 2008 tax year discrepancies.

**Finding #3**

**Because no formal review or investigation was conducted, no claim could be filed on the county’s insurance coverage for employee dishonesty in order to recover identified losses.**

The county pays for insurance for losses due to “employee dishonesty”. The insurance coverage is purchased through the Association of County Commissioners of Oklahoma (ACCO). Certain procedures must be followed to file a claim and be considered for reimbursement. The county treasurer explained she had not notified the county’s insurance provider of the potential claim because she was not sure how the process worked.

**Finding #4**

**The response by the county treasurer was inadequate for the seriousness of the situation.**

During interviews, County Treasurer Rita Wise maintained the belief that any discrepancies were most likely the result of miscommunication, the occasional language barrier and/or undefined “computer glitches”. Although pressed to be more specific, she would not specify, nor fully

agree, that a misappropriation had occurred or that someone in her office could have committed such a misappropriation.

However, the collection period for tax year 2008 was not “business as usual”. Multiple taxpayers from varying walks of life came to the treasurer’s office with some evidence and with questions concerning their payments for 2008 property taxes that apparently were not posted to treasurer records.

Failure to notify appropriate authorities, request assistance, or perform a sufficient internal review, then compounding the issue by taking unauthorized steps according to county policy or statute to pay for selected taxpayer claims, while ignoring others, constitutes a response entirely inappropriate and inadequate for the seriousness of the situation.

## Conclusion

We believe there is sufficient corroborating evidence to substantiate the allegation that some cash payments for 2008 property taxes are missing and likely misappropriated. The exact amount is open to question, but we estimated as much as \$12,690.22, while noting there could be more missing payments for other tax items that are still being reported on the 2008 delinquent list.

While there is evidence for the conclusion that some 2008 tax year collections were missing, the internal controls were insufficient to make a determination as to a specific employee or employees who could be further investigated and potentially prosecuted.

In particular, the following poor internal policies, and/or failure to fully implement good internal policies as designed include:

- Allowing all treasurer staff to perform the “cashier” function, instead of assigning this duty to a limited or controlled number of staff.
- Using only a *single* cash drawer from which *all treasurer staff* made change rather than using separate cash tills for each assigned cashier who would be individually responsible for the specifically assigned cash drawer.
- Not issuing sequentially numbered receipts for property tax collections *at the time of collection*. Instead, 10-key calculator tapes were prepared for cash collections which served as temporary, unnumbered “receipts” (along with the stub portion of tax statements). The posting of cash collections was then conducted later in the afternoon or the following day, during busy

periods. [Payments by checks or money orders were processed and posted throughout the day.]

- Permitting a single unsupervised employee to collect tax payments over the lunch hour, when other county offices were closed and while other staff was at lunch.
- Inconsistently recording pertinent information such as mode of payment, date paid and initials of the receiving employee on tax statement slips or stubs returned with the payments.
- Insufficient daily supervision and management of operations by the county official elected to serve in this capacity.

In addition, interviews with past and present treasurer office employees indicated the potential for lax password security among some past and present employees. *Stringent* employee password security is fundamental in maintaining adequate segregation of duties for computer based financial systems.

Also noted was a management policy or decision not to provide more formal training or job education, except internal “on the job” training for office staff. During our interview with the treasurer, she explained that the County Officers and Deputies Association (CODA) meetings were generally “too far to travel”. Interviews with employees indicated that they were told CODA and “Northwest District” meetings were avoided, because they were a “waste of time”.

According to interviews, the only meeting that the employees were allowed to attend was the November 2012 Northwest District meeting held in Guymon. Inadequate training and a lack of opportunities to “network” with treasurer officials and employees from other counties to exchange ideas and procedures also could be a contributing factor in the alleged misappropriation.

\* \* \* \* \*

**Disclaimer**

In this report, there may be references to state statutes and legal authorities that appear to be potentially relevant to the issues reviewed by the Office of State Auditor and Inspector. 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.

**Attachment # 1**

<b>Receipts Stamped Paid - Not Posted</b>					
<b>Year</b>	<b>Tax Roll Item #</b>	<b>Tax Statement Date</b>	<b>Post Date</b>	<b>Payment</b>	<b>Method of Payment</b>
2008	691	12/23/2008	8/31/2009	\$ 428.37	Cash
2008	1916	3/10/2009	8/31/2009	\$ 276.90	Cash
2008	3339	1/16/2009	8/31/2009	\$ 511.21	Cash
2008	38337	1/16/2009	8/31/2009	\$ 76.29	Cash
2008	39925	3/10/2009	8/31/2009	\$ 26.15	Cash
2008	40011	1/16/2009	8/31/2009	\$ 51.38	Cash
2008	11158	7/13/2009	8/31/2009	\$ 39.69	Cash
2008	1392	2/18/2009		\$ 544.02	Cash
2008	1524	3/16/2009		\$ 402.00	
2008	2088	5/6/2009	7/28/2009	\$ 379.32	Cash
2008	10957	12/10/2008		\$ 577.28	Cash
2008	1074	1/7/2009		\$ 383.15	
2008	2509	4/7/2009		\$ 258.21	
2008	30920	12/30/2008		\$ 44.63	Cash
2008	31821	3/16/2009		\$ 41.58	Cash
2008	35586	4/9/2009		\$ 164.05	Cash
2008	35944	4/9/2009		\$ 102.24	Cash
2008	36176	4/7/2009		\$ 69.18	Cash
2008	36345	5/4/2009		\$ 183.02	
2008	39093	1/16/2008		\$ 44.35	
<b>Total:</b>				<b>\$ 4,603.02</b>	

**Notes:**

This table reflects the 20 tax statements “stamped” as paid which were brought to the treasurer’s office by taxpayers after “2<sup>nd</sup> half” reminders were mailed in March 2009. The first seven tax items in the table show a posting date of “August 31, 2009” which was when the county treasurer brought personal cash to the office to pay these seven items.

Tax item #2088 was paid by a treasurer’s official depository voucher on July 28, 2009, so the system posting date reflects the date of the treasurer voucher, not the original date paid by the taxpayer. The remaining twelve alleged tax statement payments remained unposted and “delinquent” at the time of our investigation.

Tax item #1392, including a penalty of \$77.05, was subsequently paid and receipted on tax receipt #27252 in December 2009, indicating the probability that this taxpayer actually paid the 2008 tax twice and incurred penalties that were not owed.

**Attachment # 2**

<b>Adjustments to Accounts With Tax Statements "stamped paid"</b>								
<b>Tax Year</b>	<b>Tax ID</b>	<b>Entered</b>	<b>Cert</b>	<b>Type</b>	<b>Tax Amount Reduced</b>	<b>Posted</b>	<b>Tax Stmt Reflecting Paid</b>	<b>Tax Stmt Amount Not Posted</b>
2008	1524	2/12/2009	2/12/2009	ADJ CE	-390.29	Y	3/16/2009	390.29
2008	26224	2/12/2009	2/12/2009	ADJ CE	-497.58	Y	12/30/2008	497.58
2008	2474	2/4/2009	2/4/2009	ADJ CE	-170.83	Y	1/30/2009	170.83
2008	25898	5/11/2009	5/11/2009	ADJ CE	-17.73	Y	12/29/2008	17.73
					<b>-\$1,076.43</b>	<b>Total:</b>		<b>\$1,076.43</b>

**Notes:**

This table reports four tax items of the original group of 38 "stamped" tax statements reviewed. These tax items were adjusted to \$-0- using the tax roll adjustment module of the tax billing system software.

"Clerical Error" adjustments should *not* result in changes to tax amounts due. Generally, anything that results in a reduction in a tax due is required to go before the Board of Tax Roll Corrections and be approved by that board. There was no paperwork supporting these clerical error adjustments, which led to a more complete review of all adjustments for tax year 2008, as reported in Objective I.

Tax item #2474 actually had two adjustments. The first added \$170.83 to the tax roll, followed by another adjustment *deducting* \$341.66 from the tax roll, leaving a "net" adjustment of minus \$170.83. Neither adjustment had the documentation to support the entry.

Attachment #3

Make Checks Payable to:  
**RITA WISE**  
TEXAS COUNTY TREASURER  
PO BOX 509  
GUYMON, OK 73942  
TELEPHONE: (580) 338-7050

Parcel ID Number  
CLH  
Owner 214744  
[Redacted]  
414 NE 27TH STREET  
GUYMON, OK 73942-

**Taxpayer Copy**  
Breakdown Mills Amount  
COUNTY GENERAL 10.00 10.10  
COUNTY HEALTH 1.50 1.62  
COUNTY WIDE 4-MIL 4.00 4.04  
SCHOOL DIST GEN. 35.00 35.35  
SCHOOL DIST BLDG 5.00 5.05  
SCHOOL DIST SINK 9.94 10.04  
TOTALS 65.54 66.20

School Dist Tax Year Taxroll Item #  
008C 2008 36176  
8 Guymon - City  
Gross Assessed 1,110  
Exemptions 100  
Net Assessed 1,010  
Total Tax 66.20  
Total Tax Payments 0.00  
Penalty thru 4/30/09 \$2.98  
Total Due **\$69.18**

Legal Description: MAJESTIC RANCH NORTH LOT 54  
**PAID**  
APR 07 2009  
RITA WISE  
TEXAS COUNTY TREASURER

Personal Tax  
CASH \$327.39

Retain this portion for your records or when paying in person bring entire statement

Make Checks Payable to:  
**RITA WISE**  
TEXAS COUNTY TREASURER  
PO BOX 509  
GUYMON, OK 73942  
TELEPHONE: (580) 338-7050

Parcel ID Number  
CLH  
Owner 211112  
[Redacted]  
414 NE 27TH  
GUYMON, OK 73942-

**Taxpayer Copy**  
Breakdown Mills Amount  
COUNTY GENERAL 10.00 37.71  
COUNTY HEALTH 1.50 6.03  
COUNTY WIDE 4-MIL 4.00 15.08  
SCHOOL DIST GEN. 35.00 131.95  
SCHOOL DIST BLDG 5.00 18.68  
SCHOOL DIST SINK 9.94 37.47  
TOTALS 65.54 247.09

School Dist Tax Year Taxroll Item #  
008C 2008 2509  
8 Guymon - City  
Gross Assessed 3,770  
Exemptions 0  
Net Assessed 3,770  
Total Tax 247.09  
Total Tax Payments 0.00  
Penalty thru 4/30/09 \$11.12  
Total Due **\$258.21**

Legal Description: 1704 N JAMES (3 Lots)  
NORTH PARK L 12 TO 14 (75X 140)

**PAID**  
APR 07 2009  
RITA WISE  
TEXAS COUNTY TREASURER

Real Estate

Retain this portion for your records or when paying in person bring entire statement

03N15E-31-0-10320-011-0012  
**RITA WISE**  
TEXAS COUNTY TREASURER  
PO BOX 509  
GUYMON, OK 73942  
TELEPHONE: (580) 338-7050

Owner 211112  
[Redacted]  
GUYMON OK 73942-0000  
Enter Address Changes Here

**PAID IN FULL**  
Real Estate  
Tax Receipt  
1704 N JAMES (3 Lots)  
NORTH PARK  
NORTH PARK L 12 TO 14 (75X 140)

Delinquent Taxes 2008R  
**PAID IN FULL**

School Dist Tax Year Taxroll Item #  
008C 2010 2509BT

Payment Enclosed	
Payments	
Total Tax Due	244.00
Penalty	7.32
Total	251.32
Payment	251.32
Tax Balance Due	

Payment on 3/11/11 with CHECK  
on Receipt 22638 for Taxes  
Check# 2012

Run 3/07/14 8:15:56

W M Deputy \_\_\_\_\_

Make Checks Payable to:  
**RITA WISE**  
**TEXAS COUNTY TREASURER**  
 PO BOX 509  
 GUYMON, OK 73942  
 TELEPHONE: (580) 338-7050

Parcel ID Number  
 CLH  
 Owner 214744  
 [Redacted]  
 414 NE 27TH STREET  
 GUYMON, OK 73942-

**Taxpayer Copy**  
 Breakdown Mills Amount  
 COUNTY GENERAL 10.00 10.10  
 COUNTY HEALTH 1.50 1.62  
 COUNTY WIDE 4-MIL 4.00 4.04  
 SCHOOL DIST GENL 35.00 35.95  
 SCHOOL DIST BLDG 5.00 5.05  
 SCHOOL DIST SINK 9.94 10.04  
 TOTALS 65.54 66.20

School Dist Tax Year Taxroll Item #  
 008C 2008 36176  
 8 Guymon - City  
 Gross Assessed 1,110  
 Exemptions 100  
 Net Assessed 1,010  
 Total Tax 66.20  
 Total Tax Payments 0.00  
 Penalty thru 4/30/09 \$2.98  
**Total Due \$69.18**

Legal Description: MAJESTIC RANCH NORTH LOT 54  
**PAID**  
 APR 07 2009  
 RITA WISE  
 TEXAS COUNTY TREASURER

CASH \$327.39

Retain this portion for your records or when paying in person bring entire statement

Make Checks Payable to:  
**RITA WISE**  
**TEXAS COUNTY TREASURER**  
 PO BOX 509  
 GUYMON, OK 73942  
 TELEPHONE: (580) 338-7050

Parcel ID Number  
 CLH  
 Owner 211112  
 [Redacted]  
 414 NE 27TH  
 GUYMON, OK 73942-

**Taxpayer Copy**  
 Breakdown Mills Amount  
 COUNTY GENERAL 10.00 37.71  
 COUNTY HEALTH 1.50 6.00  
 COUNTY WIDE 4-MIL 4.00 15.98  
 SCHOOL DIST GENL 35.00 131.95  
 SCHOOL DIST BLDG 5.00 18.66  
 SCHOOL DIST SINK 9.94 37.47  
 TOTALS 65.54 247.09

School Dist Tax Year Taxroll Item #  
 008C 2008 2509  
 8 Guymon - City  
 Gross Assessed 3,770  
 Exemptions 0  
 Net Assessed 3,770  
 Total Tax 247.09  
 Total Tax Payments 0.00  
 Penalty thru 4/30/09 \$11.12  
**Total Due \$258.21**

Legal Description: 1704 N JAMES (3 Lots)  
 NORTH PARK L 12 TO 14 (75X 140)  
**PAID**  
 APR 07 2009  
 RITA WISE  
 TEXAS COUNTY TREASURER

Real Estate

Retain this portion for your records or when paying in person bring entire statement

03N15E-31-0-10320-011-0012  
**RITA WISE**  
**TEXAS COUNTY TREASURER**  
 PO BOX 509  
 GUYMON, OK 73942  
 TELEPHONE: (580) 338-7050

Owner 211112  
 [Redacted]  
 GUYMON OK 73942-0000  
 Enter Address Changes Here

**PAID IN FULL**  
 Real Estate  
 Tax Receipt  
 1704 N JAMES (3 Lots)  
 NORTH PARK  
 NORTH PARK L 12 TO 14 (75X 140)  
**Delinquent Taxes 2008R**  
**PAID IN FULL**

School Dist Tax Year Taxroll Item #  
 008C 2010 2509BT  
 Payment Enclosed  
 Payments  
 Total Tax Due 244.00  
 Penalty 7.32  
 Total 251.32  
 Payment 251.32  
 Tax Balance Due  
 Payment on 3/11/11 with CHECK  
 on Receipt 22638 for Taxes  
 Check# 2012  
 W M Deputy

Run 3/07/14 8:15:56

Example of a 2008 tax statement stamped paid by the treasurer's office, but a payment was not posted. The bottom computer generated receipt was reprinted March 7, 2014, during our investigation. In red, the account continued to reflect a 2008 delinquent balance on the 2010 receipt #22638 that was reprinted.

Attachment # 4

This table illustrates the four-year payment history of current property owners. The table reflects payment dates that were recorded on the county treasurer’s billing system for each year *except* the 2008 tax year.

The 2008 tax year items all had undocumented and likely unauthorized “adjustments,” rather than payments posted through the normal payment/receipt program. The adjustments reduced the tax due balances to \$0.00. Items that have multiple dates for a tax year indicate partial payments of real estate and/or personal property being made on those dates.

<b>4 Year Taxpayer History</b>				
<b>Tax ID Number</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>
128	3/16/2007	4/4/2008	NONE	3/9/2010
446	1/29/2007	2/6/2008	NONE	2/26/2010
1284	1/29/2007	2/4/2008	NONE	2/9/2010
1784	3/16/2007	3/27/2008	NONE	1/26/2010
				2/9/2010
2181	3/28/2007	4/14/2008	NONE	3/15/2010
2702	12/19/2006	12/31/2007	NONE	12/29/2009
2825	7/25/2007	12/27/2007	NONE	12/29/2009
3092	12/28/2006	12/26/2007	NONE	1/15/2010
4404	3/22/2007	3/28/2008	NONE	4/7/2010
5172	2/7/2007	3/10/2008	NONE	1/14/2010
5173	2/7/2007	3/10/2008	NONE	1/14/2010
5209	2/7/2007	3/10/2008	NONE	1/14/2010
5227	2/7/2007	1/18/2008	NONE	1/14/2010
5251	2/7/2007	3/10/2008	NONE	1/14/2010
5252	2/7/2007	3/10/2008	NONE	1/14/2010
5253	2/7/2007	3/10/2008	NONE	1/14/2010
5254	2/7/2007	3/10/2008	NONE	1/14/2010
5255	2/7/2007	3/10/2008	NONE	1/14/2010
5256	2/7/2007	3/10/2008	NONE	1/14/2010
5257	2/7/2007	3/10/2008	NONE	1/14/2010
5258	2/7/2007	3/10/2008	NONE	1/14/2010
5259	2/7/2007	3/10/2008	NONE	1/14/2010
5260	2/7/2007	3/10/2008	NONE	1/14/2010
5261	2/7/2007	3/10/2008	NONE	1/14/2010
5263	2/7/2007	3/10/2008	NONE	1/14/2010
5264	2/7/2007	3/10/2008	NONE	1/14/2010
5594	7/11/2007	12/17/2007	NONE	1/14/2010
6560	3/30/2007	2/29/2008	NONE	4/1/2010

**TEXAS COUNTY TREASURER**  
**DATE OF RELEASE: May 12, 2014**

6605	1/22/2007	1/29/2008	NONE	1/8/2010 3/31/2010
7305	1/29/2007	12/27/2007	NONE	12/29/2009
7817	1/29/2007 2/12/2007	12/27/2007	NONE	12/31/2009 4/1/2010
7818	1/29/2007 2/12/2007	12/27/2007	NONE	12/31/2009 4/1/2010
11392	2/7/2007	3/10/2008	NONE	1/14/2010
15375	12/26/2006	12/12/2007	NONE	12/30/2009
18245	1/29/2007	2/4/2008	NONE	2/9/2010
18245	1/29/2007	2/4/2008	NONE	2/9/2010
18856	12/28/2006	12/26/2007	NONE	1/15/2010
24611	12/27/2006	12/26/2007	NONE	12/28/2009 1/08/2010 3/31/2010
25574	1/23/2007	1/28/2008 2/21/2008	NONE	1/14/2010
26021	3/16/2007	4/4/2008	NONE	3/9/2010
26224	12/29/2006	12/28/2007	NONE	12/30/2009
27908	3/28/2007	4/14/2008	NONE	2/9/2010
31851	1/16/2007	1/23/2008	NONE	1/20/2010
33222	3/22/2007	3/28/2008	NONE	4/7/2010
35514	2/12/2007	3/31/2008	NONE	4/7/2010
37237	12/28/2006	12/27/2007	NONE	12/29/2009
37992	6/11/2007	4/9/2009	NONE	12/14/2009
38891	-Did not own property-	1/21/2008	NONE	3/19/2010



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

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