

TULSA COUNTY, OKLAHOMA REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND COMPLIANCE

For the fiscal year ended June 30, 2017



*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

TULSA COUNTY, OKLAHOMA
INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL
REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS
FOR THE YEAR ENDED JUNE 30, 2017

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Oklahoma State Auditor & Inspector

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January 31, 2018

TO THE CITIZENS OF
TULSA COUNTY, OKLAHOMA

Transmitted herewith is the Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards* of Tulsa County, Oklahoma for the fiscal year ended June 30, 2017. The audit was conducted in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards*.

A report of this type is critical in nature; however, we do not intend to imply that our audit failed to disclose commendable features in the present accounting and operating procedures of the County.

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 "Gary A. Jones". The signature is fluid and cursive, with the first name "Gary" being the most prominent.

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



Oklahoma State Auditor & Inspector

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Independent Auditor’s Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With *Government Auditing Standards*

TO THE OFFICERS OF
TULSA COUNTY, OKLAHOMA

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Tulsa County, Oklahoma, as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprises Tulsa County’s basic financial statements, and have issued our report thereon dated January 30, 2018. Our report includes a reference to other auditors who audited the financial statements of the Tulsa County Industrial Authority, the Tulsa County Criminal Justice Authority, the Tulsa County Home Finance Authority, the Tulsa County Employees’ Retirement System, the Tulsa County Public Facilities Authority, the Tulsa County Juvenile Justice Trust Authority, and the Tulsa City/County Health Board, as described in our report on Tulsa County’s financial statements. This report does not include the results of the other auditors’ testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Tulsa County’s internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Tulsa County’s internal control. Accordingly, we do not express an opinion on the effectiveness of Tulsa County’s internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. *A material weakness* is a deficiency, or combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity’s financial statements will not be prevented, or detected and corrected on a timely basis. *A significant deficiency* is a deficiency, or combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be

material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did identify certain deficiencies in internal control, described in the accompanying schedule of findings and responses that we consider to be a material weakness: 2017-001.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Tulsa County's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of findings and responses as item 2017-001.

We noted certain matters regarding statutory compliance that we reported to the management of Tulsa County, which are included in Section 2 of the schedule of findings and responses contained in this report.

Tulsa County's Response to Findings

Tulsa County's responses to the findings identified in our audit are described in the accompanying schedule of findings and responses. Tulsa County's responses were not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the responses.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the result of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable 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.

A handwritten signature in blue ink that reads "Gary A. Jones". The signature is written in a cursive style with a large, looped initial "G".

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

January 29, 2018

**TULSA COUNTY, OKLAHOMA
SCHEDULE OF FINDINGS AND RESPONSES
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

SECTION 1 - Findings related to the Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With *Government Auditing Standards*

Finding 2017-001– Inadequate Internal Controls and Noncompliance Over Disbursements (Repeat Finding)

Condition: Per testwork performed, the following was noted:

- The audit of the sixty-five (65) General Fund purchase orders reflected the following:
 - Eleven (11) totaling \$726,269.94 were not encumbered properly.

Fund	Responsible Office	Purpose	Purchase Order Number	Expenditure Amount
General Fund	Administrative Services/BOCC	Blanket for Office Supplies	1715291	\$62.10
General Fund	Building Operations/BOCC	Plumbing Installation Maintenance and Repair	1709264	\$1,428.75
General Fund	Fiscal Office/BOCC	Legal Fees	1706461	\$2,946.09
General Fund	Fiscal Office/BOCC	Legal Fees	1708840	\$8,401.66
General Fund	Fiscal Office/BOCC	Legal Fees	1706923	\$10,625.44
General Fund	Fiscal Office/BOCC	Audit Fees	1707861	\$23,310.00
General Fund	Building Operations/BOCC	State Energy Program ARRA - Revolving Loan Program Payment	1705705	\$66,196.00
General Fund	Fiscal Office/BOCC	Contractual Payment	1712476	\$191,732.00
General Fund	Fiscal Office/BOCC	Visual Inspection	1712902	\$216,810.30
General Fund	Fiscal Office/BOCC	Contractual Payment	1722121	\$191,733.00
General Fund	Fiscal Office/BOCC	Expert Witness Fee	1711939	\$13,024.60
Total				\$726,269.94

- One (1) with expenditures totaling \$11,537.60 was not charged to the proper period.

Fund	Responsible Office	Purpose	Purchase Order Number	Expenditure Amount
General Fund	Fiscal Office	Expert Witness Fee	1711939	\$11,537.60

**TULSA COUNTY, OKLAHOMA
SCHEDULE OF FINDINGS AND RESPONSES
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- The audit of the sixty-two (62) Highway T-Cash Fund purchase orders reflected the following:
 - Twelve (12) totaling \$475,310.40 were not encumbered properly.

Fund	Responsible Office	Purpose	Purchase Order Number	Expenditure Amount
Highway T-Cash Fund	Highway Construction Division/BOCC	12"x 12" HDPE Pipe	1709282	\$4.96
Highway T-Cash Fund	Highway District #3	Trash Service	1712581	\$23.00
Highway T-Cash Fund	Tulsa Engineering Department/BOCC	Security Monitoring and Maintenance for District Barns	1700704	\$2,148.00
Highway T-Cash Fund	Highway Construction Division/BOCC	Signs, Lights, and Barricades for Road Project	162513	\$8,716.40
Highway T-Cash Fund	Highway Construction Division/BOCC	Asphalt	1705392	\$9,441.30
Highway T-Cash Fund	Highway Construction Division/BOCC	Concrete Work	1704512	\$18,922.20
Highway T-Cash Fund	Tulsa Engineering Department/BOCC	Professional Service	1700753	\$20,000.00
Highway T-Cash Fund	Tulsa Engineering Department/BOCC	Software, Hardware and/or Support	1718475	\$27,573.54
Highway T-Cash Fund	Tulsa Engineering Department/BOCC	Turn Key – Keystone Expressway Lighting Project	1618876	\$85,150.00
Highway T-Cash Fund	Tulsa Engineering Department/BOCC	Turn Key – Keystone Expressway Lighting Project	1700761	\$69,238.00
Highway T-Cash Fund	Tulsa Engineering Department/BOCC	Turn Key – Keystone Expressway Lighting Project	1708080	\$83,300.00
Highway T-Cash Fund	Tulsa Engineering Department/BOCC	Turn Key – Keystone Expressway Lighting Project	1712778	\$150,793.00
Total				\$475,310.40

- A purchase order was not encumbered for \$17,648.09 in expenditures. Therefore, these expenditures were paid from purchase order 162270 resulting in an unjustified overage to the encumbrance of \$17,648.09.

- The audit of fifty-nine (59) non-major funds purchase orders reflected the following:
 - Thirty-seven (37) totaling \$7,944,369.84 were not encumbered properly.

Fund	Responsible Office	Purpose	Purchase Order Number	Expenditure Amount
Sheriff Cash Fund	Tulsa County Sheriff	Legal Fees	1705324	\$4,297.50
Sheriff Cash Fund	Tulsa County Sheriff	Patrol Car/Patrol Car Equipment	1715581	\$1,6000.38

**TULSA COUNTY, OKLAHOMA
SCHEDULE OF FINDINGS AND RESPONSES
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

Fund	Responsible Office	Purpose	Purchase Order Number	Expenditure Amount
County Contribution Fund	Tulsa County Sheriff	Inmate Medical Expenses	1712179	\$20,757.48
Tulsa Co Jail Commissary	Tulsa County Sheriff	Jail Commissary Vendor Payment	1705450	\$25,838.38
Tulsa Co Jail Commissary	Tulsa County Sheriff	Jail Commissary Vendor Payment	1710879	\$1,9711.34
Tulsa Co Jail Commissary	Tulsa County Sheriff	Jail Commissary Vendor Payment	1711869	\$33,080.49
Specialty Courts	Fiscal Office/BOCC	Drug Court	1708768	\$50,608.82
Specialty Courts	Fiscal Office/BOCC	Drug Court	1713575	\$45,175.20
County Contribution Fund	Tulsa County Sheriff	Utilities	1623915	\$47,468.32
County Contribution Fund	Tulsa County Sheriff	Utilities – Water Coolant System	1704056	\$83,709.79
County Contribution Fund	Tulsa County Sheriff	Utilities – Water Coolant System	1715620	\$65,892.42
County Contribution Fund	Tulsa County Sheriff	Utilities – Water Coolant System	1716183	\$78,830.46
Tulsa Co Jail Commissary	Tulsa County Sheriff	Phone Bill-Vendor Payment	1717491	\$70,260.00
Tulsa Co Jail Commissary	Tulsa County Sheriff	Phone Bill-Vendor Payment	1718964	\$75,190.00
County Contribution Fund	Tulsa County Sheriff	Inmate Food Services	1703657	\$157,928.29
County Contribution Fund	Tulsa County Sheriff	Inmate Food Services	1703825	\$195,636.07
County Contribution Fund	Tulsa County Sheriff	Inmate Food Services	1705874	\$161,812.82
County Contribution Fund	Tulsa County Sheriff	Inmate Food Services	1715554	\$171,412.43
County Contribution Fund	Tulsa County Sheriff	Inmate Food Services	1717555	\$113,942.35
County Contribution Fund	Tulsa County Sheriff	Inmate Food Services	1719882	\$182,228.33
County Contribution Fund	Tulsa County Sheriff	Inmate Food Services	1722149	\$165,829.42
Sheriff Cash Fund	Tulsa County Sheriff	Radios/Phones/Earpiece/Telecom	1710567	\$314,323.77
County Contribution Fund	Tulsa County Sheriff	Inmate Medical	1713297	\$470,000.00
County Contribution Fund	Tulsa County Sheriff	Inmate Medical	1714941	\$482,000.00
County Contribution Fund	Tulsa County Sheriff	Inmate Medical	1717044	\$444,645.00
County Contribution Fund	Tulsa County Sheriff	Inmate Medical	1719084	\$268,594.11
County Contribution Fund	Tulsa County Sheriff	Inmate Medical	1719881	\$468,594.11
County Contribution Fund	Tulsa County Sheriff	Inmate Medical	1721949	\$387,032.78

**TULSA COUNTY, OKLAHOMA
SCHEDULE OF FINDINGS AND RESPONSES
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

Fund	Responsible Office	Purpose	Purchase Order Number	Expenditure Amount
County Contribution Fund	Tulsa County Sheriff	Inmate Food Services	1712173	\$212,414.92
County Contribution Fund	Tulsa County Sheriff	Inmate Food Services	1715039	\$207,930.59
County Contribution Fund	Fiscal Office/BOCC	Inmate Medical	1702896	\$267,771.47
County Contribution Fund	Tulsa County Sheriff	Inmate Medical	1705604	\$476,825.77
County Contribution Fund	Tulsa County Sheriff	Inmate Medical	1708326	\$491,130.55
County Contribution Fund	Tulsa County Sheriff	Inmate Medical	1709972	\$483,978.16
County Contribution Fund	Fiscal Office/BOCC	Inmate Medical	1712215	\$483,978.16
County Contribution Fund	Fiscal Office/BOCC	Inmate Medical	1712215	\$483,978.16
County Contribution Fund	Fiscal Office/BOCC	Property and Content Insurance	1703075	\$215,562.00
Total				\$7,944,369.84

- o Four (4) totaling \$705,045.62 were not charged to the proper period.

Fund	Responsible Office	Purpose	Purchase Order Number	Expenditure Amount
County Contribution Fund	Tulsa County Sheriff	Utilities – Water Coolant System	1704056	\$83,709.79
County Contribution Fund	Tulsa County Sheriff	Inmate Food Services	1703657	\$157,928.29
County Contribution Fund	Tulsa County Sheriff	Inmate Food Services	1703825	\$195,636.07
County Contribution Fund	Fiscal Office/BOCC	Inmate Medical	1702896	\$267,771.47
Total				\$705,045.62

Cause of Condition: Policies and procedures have not been fully implemented with regard to the disbursement process to strengthen internal controls and ensure compliance with state statutes. Additionally, it appears that some encumbrances may be delayed due to the unavailability of funds.

Effect of Condition: These conditions resulted in noncompliance with state statutes and could result in unrecorded transactions, misstated financial reports, undetected errors, misappropriation of funds, and a financial burden on the County.

Recommendation: The Oklahoma State Auditor and Inspector’s Office (OSAI) recommends the County adhere to state purchasing guidelines to ensure encumbrances are made before goods or services are ordered

**TULSA COUNTY, OKLAHOMA
SCHEDULE OF FINDINGS AND RESPONSES
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

and to ensure availability of funds. Additionally, OSAI recommends goods or services be paid for from funds designated for use during the fiscal year from which the goods or services were obtained.

Management Response:

Chairman of the Board of County Commissioners: – I will inform BOCC Division Directors and Tulsa County Elected Officials of this finding and the importance of encumbering purchase orders before goods or services are ordered. Additionally I will support the County Clerk’s efforts to lead a bookkeeper training session with all county departments to discuss procedures that will strengthen internal controls and ensure better compliance with state statutes. Department heads within the BOCC will be required to attend and I will also strongly encourage each county elected official and their appropriate staff members to attend as well.

District 2 County Commissioner: I will work with the Chair of the BOCC who is directing Division Directors and Tulsa County Elected Officials of this finding and the importance of encumbering purchase orders before goods or services are ordered. I will also work with the County Clerk’s efforts to lead a bookkeeper training session with all county departments to discuss procedures that will strengthen internal controls and ensure better compliance with state statutes. Department heads within the BOCC will be required to attend and encouraged each county elected official and their appropriate staff members to attend as well. In addition, it is our goal to have all transactions encumbered correctly henceforth and to ensure that every transaction be conducted in the correct timeframe.

District 3 County Commissioner: I will apprise the BOCC Division Directors and other Tulsa County Elected Officials of this finding and the emphasize the necessity of encumbering purchase orders before goods or services are ordered.

County Clerk: My office will work with other county offices and elected officials to remind them the importance of appropriate purchasing procedures. I intend to have my office lead a bookkeeper training session with all county departments to discuss procedures that will strengthen internal controls and ensure better compliance with state statutes.

County Sheriff: Because of the revenue flow which funds jail operations, encumbering prior to the services or products being provided is often time impossible. The General Fund appropriation to the overall budgetary needs of the yearly operation of the jail is less than 7%. All other revenue is billed monthly and therefore the balances of said accounts are depleted monthly.

As to the expenditures not charged to the proper period, it should be noted that said expenditures were made from cash funds, which have no fiscal year limitations.

Auditor Response: Encumbrances should always be made prior to the ordering or purchasing of goods or services to ensure adequate funds are available to pay for such goods or services and to prevent unconstitutional debt to the County. Additionally, for those expenditures charged to the wrong period, it appears funds to pay for these expenditures were not available in the year the goods or services were obtained and funds from the next fiscal year had to be used to pay these expenses.

**TULSA COUNTY, OKLAHOMA
SCHEDULE OF FINDINGS AND RESPONSES
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

Criteria: Accountability and stewardship are overall goals of management in the accounting of funds. Internal controls should be designed to analyze and check accuracy, completeness, and authorization of disbursements and/or transactions. To help ensure a proper accounting of funds, purchases should not be made prior to the availability of funds.

Additionally, effective internal controls require that management properly implement procedures to ensure that purchases are made in compliance with 19 O.S. § 1505C.

Title 62 O.S. § 310.4 states in part, “All unencumbered balances, if any, [...] on hand at the close of day June 30, may remain as a credit for said fiscal year up to the close of day September 30, next. [...] Provided this act shall not be so construed to allow the incurring of a new indebtedness after June 30 chargeable to the appropriation account of the immediately preceding fiscal year.”

SECTION 2 - This section contains certain matters not required to be reported in accordance with *Government Auditing Standards*. However, we believe these matters are significant enough to bring to management’s attention. We recommend that management consider these matters and take appropriate corrective action.

Finding 2017-004 – Segregation of Duties - District Court Divisions (Repeat Finding)

Condition: It was noted that asset custody, transaction authority, bookkeeping, and reconciliations were not properly segregated to ensure adequate internal control structure in each District Court Division and within the Court Fund.

Within the Criminal, Probate, Family/License, Juvenile and Small Claims Divisions of the Court Clerk’s office, one employee with each division often posts payments, writes receipts, verifies receipt of payment, balances the cash drawer, prepares the deposit ticket, takes the deposit to the treasurer, and reconciles the account balance to the County Treasurer with no indication of a review by a second person. Additionally, the supervisors can delete multiple docket entries, delete entries created on previous dates, disburse funds by case, and delete cases within the Oklahoma County Information System (OCIS).

Cause of Condition: Policies and procedures have not been designed and implemented to properly segregate deposit functions and reconciling functions in a manner to reduce risk.

Effect of Condition: A single person having responsibility for more than one area of recording, authorization, custody of assets, and execution of transactions could result in unrecorded transactions, misstated financial reports, clerical errors, or misappropriation of funds not being detected in a timely manner.

Recommendation: OSAI recommends the following key accounting functions within the divisions of the Court Clerk’s office be adequately segregated:

- Issuing receipts

**TULSA COUNTY, OKLAHOMA
SCHEDULE OF FINDINGS AND RESPONSES
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

- Preparing/reviewing deposits
- Administrative rights for voiding and deleting
- Management override of OCIS system

In addition, OSAI recommends establishing a system of internal controls to adequately protect the collections of the Court Clerk's office, which include but are not limited to the following:

- Review processes to ensure accuracy
- A daily log of all mailed receipts should be compiled in a manner as to reduce risk

Management Response:

Court Clerk: Since taking office in January, 2017, we have been in the process of developing new policies and procedures throughout the work place. I have implemented a "runner" program which segregates the duties associated with issuing receipts and making deposits. In my criminal division, if a cash payment is received from a customer, the counter employee issues a receipt for the payment, completes a payment/currency verification sheet, and has the customer verify/sign off on the amount of money given to the counter employee (including an itemization of the currency received). The counter employee then takes the receipt, the verification sheet, and payment to the cashier for verification.

All deposits are prepared in the division and then taken by our runner, with an armed guard, to the treasurer's office for deposit. Once the deposits are made, the money bags are returned to the proper divisions.

Currently OCIS does not provide accountability criteria for deleting case information. Our protocol allows only the supervisors and managers to delete multiple docket entries, delete entries created on previous dates, disburse funds by case, and delete cases within the OCIS System. If an employee has an entry which must be modified they must take the modification to the supervisor in order to do so. If the supervisor is not available, then the manager over the division would be the next in line to make the approval for modification. We are in the process of verifying that this is correctly aligned with our computer system.

Criteria: Effective internal controls require that key functions within a process be adequately segregated to allow for prevention and detection of errors and possible misappropriation of funds.

Finding 2017-005 – Inadequate Internal Controls and Noncompliance Over Court Clerk District Court Fund (Repeat Finding)

Condition: Per review of the June 30th District Court reconciliation for fiscal year 2017, we noted the following:

- The Court Clerk's ending balance, per the Court Clerk's supporting reports and records, is \$1,103.27 more than the ending balance on the County Treasurer's general ledger.

Cause of Condition: Policies and procedures have not been designed and implemented to ensure reconciliations performed by the Court Clerk are accurate.

**TULSA COUNTY, OKLAHOMA
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Effect of Condition: This condition could result in unrecorded transactions, misstated financial reports, undetected errors, or misappropriation of funds.

Recommendation: OSAI recommends that the Court Clerk reconcile the Court Clerk District Court Fund records to the Treasurer's general ledger balance monthly, and these reconciliations be reviewed for accuracy and approved by someone other than the preparer.

Management Response:

Court Clerk: The outstanding balance is based upon monies that were not properly assigned during the 1984-1985 conversion from paper to computer. My office continues to work to find the appropriate cases to distribute the outstanding balance to so that we will balance with the treasurer.

Criteria: Effective internal controls require management to design and properly implement procedures to ensure reconciliations are performed and prepared accurately, and all variances be identified and reviewed and approved by someone other than the preparer.

Finding 2017-006 – Inmate Trust Bank Account Reconciliation Not Accurate (Repeat Finding)

Condition: All information presented on the bank reconciliations for the Tulsa County Inmate Trust Fund bank account cannot be substantiated. It appears that some amounts utilized as reconciling items may contain unidentified amounts and errors.

Cause of Condition: Policies and procedures have not been designed and implemented to ensure financial records are maintained in a manner to provide accurate information for bank reconciliations being performed on the County's Inmate Trust Fund bank account and to deter and detect fraud in a timely manner.

Effect of Condition: These conditions could result in unauthorized transactions, misappropriation of inmate funds, and the inability to deter or detect fraud within the Inmate Trust bank account.

Recommendation: OSAI recommends management design and implement procedures to deter and detect fraud and to ensure financial records provide accurate information so that the Inmate Trust Fund bank account reconciliations can be relied on and substantiated. Additionally, all bank reconciliations should note indication of review and approval by someone other than the preparer.

Management Response:

County Sheriff: Efforts are currently underway to better manage the Inmate Trust Fund account reconciliation process. An additional bank account has been established and the balances for inmates in custody at a specified date were transferred to the new account. Tracking of old inmate trust account balances and activity will be more clearly defined and manageable. Additionally, undefined and ambiguous balance sheet entries are being thoroughly vetted and significant findings of clarity has now been achieved.

**TULSA COUNTY, OKLAHOMA
SCHEDULE OF FINDINGS AND RESPONSES
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

Criteria: Component objectives of effective internal control systems are to deter and detect fraud and to provide accurate and reliable information. Internal controls are designed to safeguard assets and to analyze and check accuracy, completeness, and authorization of transactions.



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