

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

For the year ended June 30, 2015



*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, 2015

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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

February 29, 2016

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, 2015. 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, appearing to read "Gary A. Jones".

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



Oklahoma State Auditor & Inspector

2300 N. Lincoln Blvd. • State Capitol, Room 100 • Oklahoma City, OK 73105 • Phone: 405-521.3495 • Fax: 405-521.3426

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, 2015, and the related notes to the financial statements, which collectively comprises Tulsa County's basic financial statements, and have issued our report thereon dated February 29, 2016. 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 a 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. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify certain deficiencies in internal control, described in the accompanying schedule of findings and responses that we consider to be significant deficiencies: 2015-1, 2015-7, and 2015-8.

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 no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

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 Responses 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 it.

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.



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

February 29, 2016

**TULSA COUNTY, OKLAHOMA
SCHEDULE OF FINDINGS AND RESPONSES
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

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 2015-1 – Inadequate Internal Controls Over the Payroll Process

Condition: During the examination of internal controls over processing of payroll, we noted the following weaknesses:

- One person can enroll new employees, remove terminated employees, update payroll, set up and remove all payroll accounts, process payroll, print payroll checks, set up direct deposit accounts, prepare the Direct Deposit File, process all deduction/vendor payments, print the Payroll Distribution Journal, control custody of registered payroll checks, distribute payroll checks, and reconcile payroll expenditures to computer generated expenditure reports.
- Each department submits a monthly payroll claim; however, internal controls are not in place to verify the accuracy of the payroll calculations that have been submitted by the individual departments.
- There are no internal controls in place to ensure the accuracy of final payroll calculations by the individual departments prior to the issuance of payroll.
- There are no internal controls in place to verify the accuracy of the leave balances submitted by those departments that do not use the software provided by the County to track leave balances.

Cause of Condition: Policies and procedures have not been designed and implemented to ensure duties associated with payroll are properly segregated and adequate monitoring and reviews are performed to provide assurance of the accuracy of the payroll claims, final payroll calculations, and leave balances.

Effect of Condition: These conditions resulted in a Sheriff's employee not being removed from payroll for eleven (11) months after being terminated and receiving in excess of \$36,000.00 in payroll and benefits during that time, compensated leave and vacation time being inaccurately reported, and payment of vacation hours in excess of allowable accruals.

Recommendation: The Oklahoma State Auditor & Inspector's Office (OSAI) recommends management be aware of these conditions and determine if duties can be properly segregated. In the event that segregation of duties is not possible due to limited personnel, OSAI recommends implementing compensating controls to mitigate the risks involved with a concentration of duties. Compensating controls would include separating key processes and/or critical functions of the office, and having management review and approval of accounting functions. OSAI also recommends all payroll claims be reviewed by department heads or elected officials prior to the issuance of payroll and all claims contain indication of review. Additionally, OSAI recommends that leave balances for all departments within the County be maintained on the County's computer system and be checked for accuracy prior to the reporting and payout of any balances.

**TULSA COUNTY, OKLAHOMA
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Management Response:

County Clerk:

We have four people working in payroll. Out of necessity, they each do all the processes. Every entry in the computer system is tracked and the user is recorded. There could be a fraudulent act in our office but it would not be easily done, and would be discovered quickly. Vendor payments are done in bookkeeping by the Accounting Supervisor and Accounts Payable Clerk. The Treasurer reconciles the payroll expenditures with the checks. The case of the detention officer at the jail being paid after he had left was a breakdown of bookkeeping at the jail and Sheriff's office level. We cannot take someone off the payroll without an action sheet.

On July 1, 2015 a process was put in place that addresses part of the issue of controls for verifying the accuracy of those being paid. When payroll has been completed, but not run yet, the payroll is sent to each department to verify the ones being paid and the amount is accurate. It is mandatory that they send the communication back to the payroll department. There is a statement in the return e-mail that says the amounts are correct and the employees who are being paid are in fact working in their departments. The payroll sent back after the departments verify the accuracy is the payroll run for payment.

Additionally, we have started the incremental process of getting all the Sheriff's employees into the software system used by the County to record time and attendance. When that is complete we will have most of Tulsa County employees in the system. Our goal is to have everyone on the payroll entering their time directly into the software system.

Acting County Sheriff: Currently, the Tulsa County Sheriff Office (TCSO) performs a manual check for each payroll claim comparing information obtained from TCSO's timekeeping software program to payroll generated from the County's software system and performs a manual audit of information derived from TCSO's timekeeping software program to submit the annual compensated absences report to the County Clerk's Office. However, TCSO is transitioning to the software system used by the County for timekeeping and these conditions will no longer be an issue in the future.

Auditor Response: The segregation of duties issue within the County Clerk's payroll department could be remedied by removing the responsibilities of adding and deleting employees in the payroll system from those employees that have the responsibilities of updating the master payroll file and preparing and issuing payroll.

Criteria: A component objective of an effective internal control system is to provide accurate and reliable information. Internal controls are designed to analyze and check accuracy, completeness, and authorization of payroll calculations and/or transactions.

Finding 2015-7 – Inadequate Internal Controls Over the Donations and Expenditures of the Sheriff's Office

Condition: OSAI noted the following concerns regarding the expenditures of the Sheriff's office:

- The Sheriff's office accepted donations in the form of a Christmas luncheon provided to the staff from the vendor who provides software services and inmate meals for the Sheriff's office. These

**TULSA COUNTY, OKLAHOMA
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FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

donations were not brought before the Board of County Commissioners and accepted in an open meeting as required by state statute.

- OSAI noted \$23,000 was paid for Ferrier services between March of 2011 and June of 2015. The policy of the Sheriff's office states that Ferrier services be paid for by the owners of the horses used for mounted patrol. It appears that \$23,000 was paid in violation of the policy in effect for the Sheriff's office.
- During fiscal year 2012, the Sheriff's office changed the provider of services for physical exams to a company that employed the wife of the Undersheriff at that time as a physician. The County contracted with the provider for physical exams at a cost of \$800 per exam. These expenditures totaled more than \$252,000 from July 2012 to June of 2015. As of January 8, 2016, the County cancelled the contract with that vendor and plans to contract with the company previously utilized by the County at a cost of \$90 per exam.

Cause of Condition: There are no internal controls within the Sheriff's office that requires service contracts to be analyzed in a manner to limit the expense of taxpayer funds. Further, management in the Sheriff's office did not follow state statute and county policies regarding donations and expenditures.

Effect of Condition: These conditions resulted in noncompliance with state statutes and county policies, and the possible abuse of taxpayer funds.

Recommendation: OSAI recommends management follow state statutes and county policies regarding all expenditures and donations. Additionally, OSAI suggests management review all contracts and agreements to ensure they are in the best interest of the County and that the funds of the County are being expended in the most fiscally responsible manner.

Management Response:

Acting County Sheriff: TCSO was unaware donations had to be accepted by the Board of County Commissioners. In the future, all donations in this form or otherwise will be taken before the Board of County Commissioners for approval prior to accepting the donation.

The Sheriff's office does pay for expenses incurred relating to the functions performed by the Mounted Patrol in a public forum, such as crowd control/security for the Tulsa State Fair. These expenses included required vaccinations and hay. In the future, we will have our policy reflect that these are allowable expenses to be paid by TCSO.

The intent of the contract for physical exams was to reduce costs of medical or injury related issues over a long-term period. Budgetary concerns necessitated TCSO contract for these services with a more cost-effective vendor.

Criteria: Good internal controls include evaluating costs of services to ensure that the services provided are the minimum quality needed, as well as being the best value of taxpayer funds.

Title 60 O.S. § 390 states in part, "The board of commissioners of each county of the state, as to such county... is hereby authorized in its discretion to accept, upon behalf of such county... any gift, testamentary or otherwise, whether unconditional or conditional, of

**TULSA COUNTY, OKLAHOMA
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any property, whether real or personal or both, to such county...,and, in such instances, the property, or, in the case of real property or intangible personal property, the muniments of title thereto, shall be delivered to, and any necessary receipts therefor shall be executed by, such board.”

Chapter 7, section 7.4L of the Tulsa County Sheriff’s Office Policy states “Horses utilized in the Mounted Patrol Unit are not agency-owned. The care and well-being of each horse is the responsibility of the owner”.

Finding 2015-8 – Inadequate Internal Controls Regarding Software Access Privileges

Condition: Tulsa County employees have excessive access privileges to computer software.

Cause of Condition: The County IT department lacked a tool that allowed for the review of user access in county offices.

Effect: There is an increased security risk for the County.

Recommendation: The County should take steps to acquire a tool to allow for review and update of user access to the computer software.

Management Response:

Tulsa County Chief Information Officer: The IT Department will work with the BOCC to resolve this issue.

Criteria: According to CobiT, Deliver and Support 5.4 User Account Management, management should address requesting, establishing, issuing, suspending, modifying and closing user accounts and related user privileges with a set of user account management procedures. This should include an approval procedure outlining the data or system owner granting the access privileges. These procedures should apply for all users, including administrators (privileged users) and internal and external users, for normal and emergency cases. Rights and obligations relative to access to enterprise systems and information should be contractually arranged for all types of users. IT management should perform regular management review of all accounts and related privileges.

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 2015-3 – Lack of 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.

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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, issues 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 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 software system.

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.
- Preparing/reviewing deposits.
- Management override of software 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: The Court Clerk's office will discuss with each department head the following proposed procedure:

- Use of a daily log, having a third person (someone who has not worked out of the cash drawer) sign off/verify the details of the deposit and balance of receipts.
- Suggested personnel to sign off would be to utilize the accounting department if no one in the department qualifies.

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.

**TULSA COUNTY, OKLAHOMA
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Finding 2015-04 – Inadequate Internal Controls over Court Clerk District Court Fund (Repeat Finding)

Condition: Per review of the June 30th District Court reconciliation for fiscal year 2015, we noted the following:

- The Court Clerk’s ending balance, per the Court Clerk’s supporting reports and records, is \$1,872.30 more than the ending balance on the 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.

Effect of Condition: These conditions 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 Court Clerk’s beginning balance was reconciled with the County Treasurer but not with our Case Balance Summary Report. Although we have a variance due to the conversion of paper to computer, circa 1984-1988, we will continue to work on balancing with the Case Balance Summary.

Auditor Response: The balance used in the reconciliation with the Treasurer should be the number noted on the Court Clerk’s supporting reports and records.

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

Finding 2015-5 – Inmate Trust Fund Reconciliation (Repeat Finding)

Condition: Bank reconciliations for the Tulsa County Inmate Trust Fund are not accurately prepared. While monthly deposits and expenditures are reconciled to amounts presented on the bank statement, a true reconciliation of the ending ledger balance to the bank statement balance is not performed. Elements of the bank reconciliation that would include outstanding checks, amounts due inmates upon release, and amounts due to other agencies are not included in the reconciliation.

As of December 31, 2015, known amounts payable upon inmates’ release and other liabilities exceeded the bank balance by approximately \$188,877. It appears these funds are unaccounted for.

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During interviews with County personnel, it was brought to our attention that funds were suspected of being missing and an internal investigation was conducted concerning this matter. Also, as of January 13, 2016, the District Attorney has requested a special investigative audit of the Inmate Trust Fund.

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

Effect of Condition: This condition could result in unauthorized transactions, misappropriation of inmate funds, and the inability to deter or detect fraud within the Inmate Trust Fund. Additionally, this condition has resulted in the District Attorney requesting a special investigative audit of the Tulsa County Inmate Trust Fund.

Recommendation: OSAI recommends management design and implement procedures to deter and detect fraud and to ensure Inmate Trust Fund bank reconciliations are completed accurately and are reviewed and approved by someone other than the preparer. Additionally, OSAI recommends that any and all fraud allegation reported or suspected should be investigated and resolved in a timely manner.

Management Response:

Acting County Sheriff: Inmate Trust account reconciliations are currently being performed by the TCSO fiscal office staff. Daily reviews of the Inmate Trust account activity are being performed by the Inmate Trust account supervisor and compare to the bank's information obtained from the bank's website weekly. The accounting software system is utilized at the jail and daily reconciliations are being performed by Inmate Trust account staff, therefore segregating duties. The banking software utilized by TCSO has an internal reconciliation function that has been used as a reconciliation tool. Since October 2015, Inmate Trust account reconciliation preparation has included a separate spreadsheet to include outstanding checks and deposits. In the future, this reconciliation will include outstanding amounts due to inmates and totals of outstanding vendor debt derived from medical co-pays and commissary purchases. This procedure will then show a true and complete reconciliation of the Inmate Trust account.

Auditor Response: OSAI recommends that the Sheriff's office mitigate the amount of funds unaccounted for and determine appropriate action needed.

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.

Finding 2015-6 – Inmate Trust (Repeat Finding)

Condition: Based on inquiry of the Sheriff's staff and observation of records, we noted the following:

- There appears to be a lack of controls in the processes regarding collections, deposits, and expenditures.
 - Original receipts are not retained for voids.

**TULSA COUNTY, OKLAHOMA
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- There is no reconciliation performed between the funds received via the kiosk, receipts per the kiosk, and deposited funds.
- Daily deposit tickets are not being reconciled to bank deposits in a timely manner.
- There are no controls over cash received via mail.
- Daily deposits are maintained in an unsecure area prior to being picked up by an armored car service.
- All jail release room and inmate account employees can issue checks, checks only require one signature, and the signature is an embedded digital signature.
- All jail release room and inmate account employees can issue debit cards.
- Inmate trust checks are issued for unauthorized expenditures.
- Records are not maintained for unclaimed funds.
- During the majority of fiscal year 2015, the Sheriff did not have a Sheriff Commissary Fund; therefore, the office was not able to prepare and file an annual report with the Board of County Commissioners by January 15th.

Cause of Condition: Policies and procedures have not been designed and implemented to ensure adequate internal controls are in place to safeguard assets and to ensure compliance with state statutes.

Effect of Condition: These conditions resulted in noncompliance with state statutes, misappropriation of assets, unrecorded transactions, and errors that have gone undetected.

Recommendation: OSAI recommends management be aware of these conditions and implement policies and procedures to ensure:

- Original receipts are retained for all voids.
- Reconciliations are performed on collections received via kiosks prior to and after deposit is made.
- All collections and deposits are maintained in secure areas, are monitored at all times, and reconciliations are performed to ensure all collections are present and deposits are accurate.
- Checks are manually signed by two check signers and check signing responsibilities fall on only a limited number of personnel.
- Inmate Trust Fund expenditures are made only to reimburse an inmate upon being released from jail or to the Sheriff's Commissary Fund.
- The Sheriff makes deposits and expenditures from the Sheriff's Commissary Fund as required by state statute.
- The Sheriff shall prepare and file an annual commissary report with the Board of County Commissioners by January 15th of each year.
- The Sheriff shall maintain records documenting unclaimed funds.

Management Response:

Acting County Sheriff: Since many agencies use the receipt books, we will now include a sign on the cover of the receipt books stating that all voided copies of the receipts need to be kept in the receipt books. Daily reconciliations of the kiosk deposits to CORE program reports and CSG deposits slips will be made. Daily deposits will be reconciled to bank information on a weekly basis. All deposits will be held in a locked safe in the locked bond office until picked up by the armored car service.

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We are working on procedures to determine a minimal number of personnel who will be authorized to sign inmate trust checks. Additionally, there is only one computer that can be used to load the debit cards. This computer is located in the locked “release room” and is visible on camera. There are a limited number of release officers who can load the debit cards.

With the Jail Commissary account being established through the Tulsa County Treasurer in June of 2015, Inmate Trust Fund checks are only being issued to reimburse inmates upon release or for deposit into the Jail Commissary account. Expenditures made from the Jail Commissary account are made in accordance with state statute. The annual commissary report was submitted to the BOCC by January 15, 2016.

TCSO has certain obligations to fulfill regarding unclaimed property. TCSO will examine the account for any expired, uncashed checks. All procedure shall be in accordance with Oklahoma state statutes.

Additionally, TCSO will continue to present the State Auditor any documentation requested and answer any inquiries presented. More permanent procedures will be put into place pending the findings and outcome of the forensic audit set to begin March 1, 2016.

Criteria: To help ensure a proper accounting of funds controls should be put in place to ensure the safeguarding and accuracy of collections, deposits, and expenditures, bank reconciliations should be prepared accurately and should show a reconciliation between the bank balance and the balance on the inmate trust ledgers, bank reconciliations should be reviewed and approved by someone other than the preparer, expenditures from the inmate trust account should only be made for authorized expenditures, and an annual commissary report should be prepared and presented to the Board of County Commissioners.

Title 19 O.S. § 531(A) states in part, “...The Sheriff...may write checks to the Sheriff’s Commissary Account... and to the inmate from unencumbered balances due the inmate upon his or her discharge.”

Title 19 O.S. § 180.43(A) states in part, “...the Sheriff shall file an annual report on any said commissary under his or her operation no later than January 15 of each year.”

Title 22 O.S. § 1325(F) states, “A sheriff’s office having in its possession money or legal tender under the circumstances provided in subsection A of this section, prior to appropriating the same for deposit into a special fund, shall file an application in the district court of its county requesting the court to enter an order authorizing it to so appropriate said money for deposit in said special fund. Said application shall describe the money or legal tender, together with serial numbers, if any, the date the same came into the possession of the sheriff’s office or campus police agency, and the name and address of the owner, if known. Upon filing, said application, which may be joined with an application as described in subsection C of this section, shall be set for hearing not less than ten (10) days nor more than twenty (20) days from the filing thereof, and notice of said hearing shall be given as provided in subsection D of this section. Such notice shall state that, upon no one appearing to prove ownership to said money or legal tender, the same will be ordered by the court to be deposited in the special fund by the sheriff’s office or

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campus police agency. Said notice may be combined with a notice to sell personal property as set forth in subsection D of this section. At the hearing, if no one appears to claim and prove ownership to said money or legal tender, the court shall order the same to be deposited by the sheriff's office or campus police agency in the special fund, as provided in subsection H of this section.”



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