

Murray County 911 Trust Authority

EXECUTIVE SUMMARY

WHY WE CONDUCTED THIS AUDIT

The Murray County Board of County Commissioners indicated concern surrounding the financial status of the Murray County 911 Authority (Authority). The Commissioners desired clarification concerning allegations of incomplete, missing, or destroyed records and wanted apprised of any outstanding issues or improper use of funds by the former 911 Director. Read the full audit report at www.sai.ok.gov.

WHAT WE FOUND

The Authority's complete financial records could not be located at the 911 Center. The lack of available records resulted in an extensive search for documentation. Records were requested and received from the Authority's independent Certified Public Accountant, Murray County, Authority board members, the Authority's legal counsel, Vision Bank, and outside vendors.

More than 700,000 deleted files were recovered by the Oklahoma State Bureau of Investigation from the former 911 Director's computer and three additional computer storage devices. The recovered files provided to the State Auditor's Office, via the Murray County Sheriff, did not include comprehensive financial information, bank records, or meeting minutes of all transactions occurring during the audit period.

The findings in this report document issues that were identified based on the records provided. The Authority's failure to maintain complete and accurate records of revenues, expenditures, and the Board's actions increases the potential that a misappropriation of public funds occurred and was not detected.

Revenues

The Authority Board was provided inaccurate financial reports, some of which reflected overstatements of deposited funds resulting in the review and approval of incorrect financial information. Revenues were not deposited daily as required and all records required by law or necessary for adequate financial reporting were not maintained.

Expenditures

Credit card *payments* were made by the County Clerk from the 911 Sales Tax Fund against improper blanket purchase orders and without adequate supporting documentation. Credit card *expenditures* were not properly reported to the Board and documentation for \$5,730.25 of these expenditures was not retained by the Authority.

Vehicle usage and associated fuel purchases lacked adequate documentation to substantiate a business purpose and one Authority payment of \$65,000 was issued erroneously for a payment of \$650 and not discovered or corrected for over two months; indicative of the weak oversight and controls that existed at the Authority.

Other Issues

The Authority Board failed to implement and maintain adequate internal controls over financial transactions and reporting. The former 911 Director had sole control of the Authority's finances and the related 911 Dispatch Center with little to no accountability or oversight.

The Authority did not file annual budgets with Murray County and did not obtain audits, both required by law.

Conclusion and Recommendation

Our review and findings as conveyed in this report reflect that the Board has struggled, since its inception, in its ability to provide adequate supervision and direction to meet statutory requirements, or to provide proper oversight in their administration over financial activities.

Based on these outcomes, we recommend the Authority Board, along with the Board of County Commissioners, consider depositing all revenue with and processing all expenditures through the County.