

STATUTORY REPORT

GRANT COUNTY CLERK TURNOVER

December 20, 2016



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

**COUNTY OFFICER TURNOVER STATUTORY REPORT
SHERRI EULBERG
GRANT COUNTY CLERK
DECEMBER 20, 2016**

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Oklahoma State Auditor & Inspector

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February 9, 2017

BOARD OF COUNTY COMMISSIONERS
GRANT COUNTY COURTHOUSE
MEDFORD, OKLAHOMA 73759

Transmitted herewith is the Grant County Officer Turnover Statutory Report for December 20, 2016. The engagement was conducted in accordance with 19 O.S. § 171.

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".

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



Oklahoma State Auditor & Inspector

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Sherri Eulberg
Grant County Clerk
Grant County Courthouse
Medford, Oklahoma 73759

For the purpose of complying with 19 O.S. § 171, we have performed the following procedures for December 20, 2016:

- Verify that equipment items on hand agree with inventory records maintained per 19 O.S. § 178.1.
- Verify that the amount of total claims approved for the operation of said Office is not in excess of limitations imposed by 19 O.S. § 347.
- Verify that a monthly report of the Office is on file with the County Clerk per 19 O.S. § 684.
- Verify that the Office is not exceeding the maximum amount of cash authorized for their change needs per 19 O.S. § 682.
- Verify that the Officers' depository account balances reconcile with the County Treasurer's records and that undeposited cash reconciles to receipts.

Information addressed in this report is the representation of the respective county officer.

Our county officer turnover engagement was limited to the statutory procedures described above and was less in scope than an examination or audit performed in accordance with auditing standards generally accepted in the United States of America, the objective of which would be the expression of an opinion. Accordingly, we do not express an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

Based on our procedures performed, we have presented our finding in the accompanying schedule.

This report is intended solely for the information and use of the management of the County and should not be used 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

January 5, 2017

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DECEMBER 20, 2016**

SCHEDULE OF FINDINGS AND RESPONSES

Finding 2017-01 – Inadequate Internal Controls and Noncompliance Over Fixed Assets Inventory

Condition: Inventory cards of fixed assets have been prepared; however, have not been accurately maintained. The following exceptions were noted:

- Four (4) items had inventory numbers affixed to the items that did not agree with the inventory numbers on the inventory cards.
- One (1) inventory card did not have an inventory number assigned to it. Two (2) items were on this inventory card.
- Three (3) items did not have inventory numbers affixed to the item.
- Twelve (12) items had been disposed of through the Board of County Commissioner meetings, but the disposal area of the inventory card had not been updated. These items remained on the list of current inventory.
- Two (2) items were located and had numbers affixed, but did not have inventory cards.
- Four (4) items had serial numbers incorrectly recorded on the inventory cards.
- Four (4) items had duplicate inventory numbers.
- Six (6) items could not be located:
 - Copier (F-213-02)
 - Dot Matrix Printer (F-218-3)
 - Pentium Computer (F-218-6)
 - Ink Jet Printer (F-218-8)
 - Dot Matrix Printer (F-218-9)
 - Computer (F-218-10)

Cause of Condition: Policies and procedures have not been designed and implemented to ensure compliance with state statutes regarding maintaining and properly identifying fixed assets.

Effect of Condition: These conditions resulted in noncompliance with state statutes. Further, these conditions could result in misappropriation of assets and loss of county equipment.

Recommendation: The Oklahoma State Auditor & Inspector's Office (OSAI) recommends management review inventory records and periodically perform inventory counts to determine all equipment items listed on the inventory records are properly accounted for. OSAI also recommends management present an annual current inventory listing to the Board of County Commissioners to be filed with the County Clerk's office. OSAI recommends management comply with state statute in regard to the disposal of fixed assets.

Management Response:

County Clerk: All deputies know where all items are located and the cards have been updated.

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- Cards and items now have matching numbers.
- Each item was numbered and now there are two cards with matching number.
- Numbers have been attached.
- All cards reflect the disposal and are off the current inventory.
- Cards have been made.
- All cards now have the correct serial numbers recorded
- There are no duplicate numbers or cards
- Cards have been updated to show the items were disposed of.

Criteria: Title 19 O.S. § 178.1 states in part, “The board of county commissioners in each county of this state shall take, or cause to be taken, an inventory of all working tools, apparatus, machinery and equipment belonging to the county or leased or otherwise let to it or to any department thereof, other than that which is affixed to and made a part of lands and buildings, the cost of which as to each complete working unit thereof is more than Five Hundred Dollars (\$500.00), and thereafter maintain or cause to be maintained a continuous inventory record thereof and of like tools, apparatus, machinery and equipment purchased, leased, or otherwise coming into the custody of the county or of any office, board, department, commission or any or either thereof, and the disposition thereof whether sold, exchanged, leased or let where authorized by statute, junked, strayed or stolen, and annually thereafter, or oftener in event of death, resignation or removal of an elective officer with a term, to verify or cause to be verified by count and report of the same as of the end of a term of office.”

Title 19 O.S. § 421 states “From and after the effective date of this act, each board of county commissioners of the several counties in the state shall within thirty (30) days after the disposition of any tools, apparatus, machinery, and equipment belonging to the county or leased or otherwise let to it or any department thereof, the original cost of which is more than Five Hundred Dollars (\$500.00), whether sold, exchanged, junked, leased or let where authorized by statute, shall enter, or cause to be entered, in the minutes of the proceedings of the board the fact of such disposition, including complete description of item, serial number, the date property was acquired, the name and address of the person or firm from whom property was acquired, the cost price at time of acquisition or contract price if acquired under lease-rental agreement, the date of disposition, the name and address of the person or firm to whom property transferred, the price received therefor and the reason for disposition.”



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