



# LOVE COUNTY TREASURER'S OFFICE

Special Investigative Audit

October 16, 2023

**Cindy Byrd, CPA**  
State Auditor & Inspector

**Love County Treasurer's Office**

**Special Investigative Audit**

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**TO THE LOVE COUNTY BOARD OF COUNTY COMMISSIONERS**

Presented herein is the investigative audit report of the Love County Treasurer's Office. 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.

This report is addressed to, and is for the information and use of, the Board of County Commissioners and the District Attorney as provided by statute. This report is also a public document pursuant to the Oklahoma Open Records Act, in accordance with 51 O.S. §§ 24A.1, *et seq.*

Sincerely,

A handwritten signature in blue ink that reads "Cindy Byrd".

CINDY BYRD, CPA  
OKLAHOMA STATE AUDITOR & INSPECTOR



## Love County Treasurer's Office Investigative Audit Report

### Why We Performed This Audit

In August 2020, a potential misappropriation of funds in the county treasurer's office was noted by a county employee. The concern was communicated to the Board of County Commissioners who then requested an investigative audit<sup>1</sup> of the accounts of former Love County Treasurer Lorry Hull.<sup>2</sup>

### Summary of Findings

Between July 2020 and August 2020, Lorry Hull, former county treasurer for Love County, misappropriated<sup>3</sup> **\$21,499.13** in county funds.

### Details on What We Found

#### Treasurer's Check<sup>4</sup>

**Finding** Hull misappropriated a **\$5,489.67** treasurer's check.

On August 11, 2020, Hull issued a treasurer's check for \$5,489.67 payable to the Love County Treasurer's office for the alleged release of protest taxes. Hull endorsed and cashed the check on the same day; the proceeds were not deposited into any county bank account. A surveillance video of the transaction provided by the bank confirmed Hull received cash back as a result of this transaction.

TREASURER OF THE COUNTY OF LOVE STATE OF OKLAHOMA  
NO. 8603  
MARIETTA, OKLA, Aug 11 2020  
PAY TO THE ORDER OF Love County Treasurer \$5489.67  
\$5,489.67 DOLLARS  
63400100255700  
FOR protest release. WARRANTS Nos. 2018 refund - 3744.83 ; 2019 refund 1744.84  
See scanned documents + files  
STATES OF  
BankFirst MARIETTA, OKLAHOMA  
Lorry Hull  
COUNTY TREASURER  
8/11/2020 AM 11 55:00  
DOLLAR TREASURER  
\$5,489.67  
Love County Treasurer  
Lorry Hull

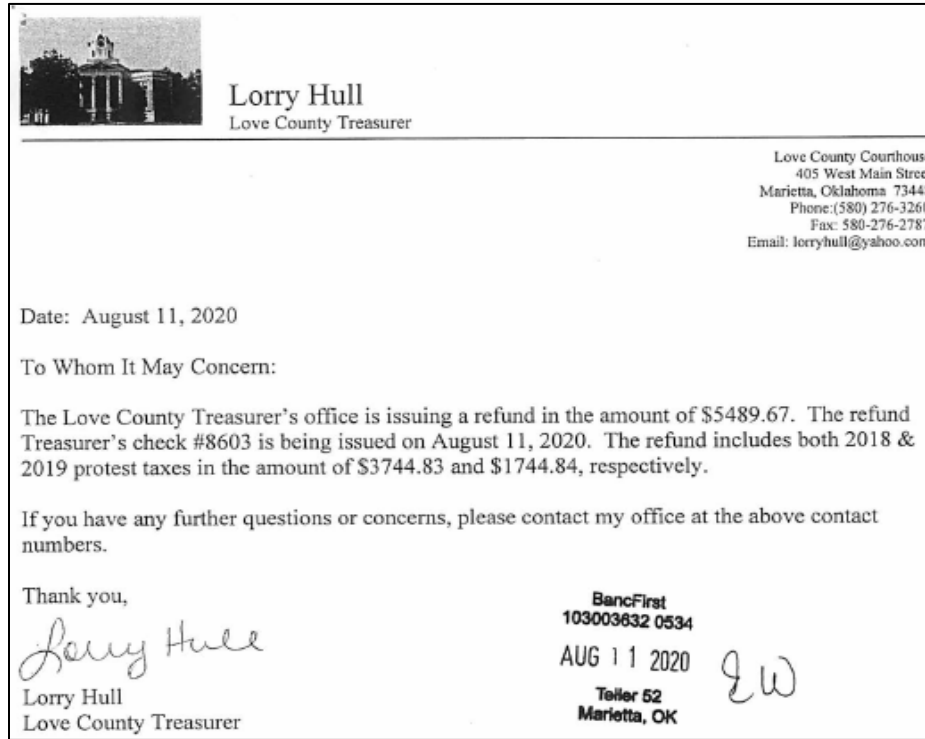
<sup>1</sup> 74 O.S. § 212(I)

<sup>2</sup> The scope of this investigation was limited to specific concerns within the Love County Treasurer's Office, this does not preclude the potential for other issues not addressed in this report.

<sup>3</sup> 19 O.S. § 641

<sup>4</sup> 62 O.S. § 551

Hull crafted a letter that was presented to the bank in support of the transaction which indicated the check was for a refund. Neither the letter nor the check identified the customer due a refund.



Hull also posted a journal entry on August 11, 2020, at 11:42 AM, prior to cashing the check, disguising the payment as a release of protest taxes. The check referenced in the journal entry (check #8219) was written for a valid release of protest tax paid in August 2018.

Printed: 8/11/2020 11:42AM

LOVE COUNTY TREASURER  
Lorry Hull

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### Journal Entry Report

Account	Debit	Credit
J/E Number: 010073		
Account Type: SOURCE		
PROTESTED TAX		5,489.67
PROTESTED TAX	5,489.67	
<b>Report Totals</b>		
	5,489.67	5,489.67

Comments:  
RELEASED FOR FULL AMOUNT GIVEN AS REFUND ON TREASURERS CHECK #8219.

After the transaction, on the same day, the treasurer’s office was notified that the bank’s teller had provided Hull with too much change as part of the cash back transaction.<sup>5</sup> When Treasurer’s office staff questioned the validity of the cash transaction their concerns were presented to a county commissioner who directed the staff to notify the State Auditor & Inspector’s Office (SA&I).

On Wednesday, August 12, SA&I<sup>6</sup> met with Hull to discuss concerns surrounding the transaction. Hull stated the deposit was pending but she could not produce a receipt or deposit slip for the transaction. She provided an excel spreadsheet indicating the deposit was pending; the spreadsheet was later determined to be fabricated. After the initial discussion with Hull, she left for the day without providing any further documentation.

Treasurer deputies attempted to assist SA&I but were unable to log into the online banking due to Hull changing the password. A provisional bank statement obtained from the bank indicated no deposit was pending for the \$5,489.67.

In an attempt to cover up the misappropriation, on August 14, 2020, Hull deposited \$5,489.67 with the First National Bank. A deposit receipt indicated \$5,500.00 cash was presented to the teller with \$10.33 cash returned.

1NB of Ardmore  
12th Street Branch  
800-863-2665

Teller # 1103 Tran # 38  
8/14/2020 14:53:08  
DDA Deposit  
Account # \*\*\*\*\*2718

Amounts Received  
Cash In: \$ 5,500.00

Amounts Disbursed  
Cash Out: \$ 10.33

Grand Total: \$ 5,489.67

CHECKING DEPOSIT 1920

NAME Love Co. Court house  
DATE 8-14-20

NET DEPOSIT \$ 5489.67

**Official Depository Vouchers<sup>7</sup>**

**Finding Hull misappropriated \$15,049.46 in official depository vouchers.**

Between July 9, 2020, and July 27, 2020, Hull issued and signed five official depository vouchers payable to the Love County Treasurer’s office totaling \$15,049.46. Bank documentation indicated the vouchers were “cashed out.”<sup>8</sup> The cash was not redeposited into any other county bank accounts or posted to the county’s general ledger.

The transactions were presented as “TD” or expired trust deposit vouchers, or for payments for unclaimed excess resale payments. Cancellation of these transactions should have resulted in funds being returned to the applicable official depository account or transferred to the resale property fund.<sup>9</sup>

<sup>5</sup> The bank reported that the return change was .22 cents long.

<sup>6</sup> The County Audit Division

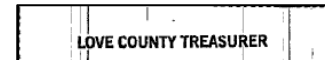
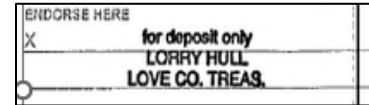
<sup>7</sup> 19 O.S. § 681-684

<sup>8</sup> Copies of the five vouchers and the related cash out tickets are shown in Appendix A.

<sup>9</sup> 68 O.S. § 3131(D)

Questionable Official Depository Vouchers			
Date	Voucher No.	Amount	Alleged Purpose
July 9, 2020	6511	\$1,488.47	TD# See attached; expired vouchers
July 9, 2020	6512	\$957.85	TD# see attached
July 13, 2020	6513	\$1,063.83	TD# 102 – 2 yr limit excess
July 13, 2020	6514	\$9,473.05	TD# 99 – 2 yr limit excess
July 27, 2020	6515	\$2,066.26	TD# excess expired vouchers
<b>Total</b>		<b>\$15,049.46</b>	

Four of the five cashed-out vouchers were endorsed with a “Love County Treasurer” stamp different from the “for deposit only” stamp utilized in all other voucher endorsements. The one remaining voucher was not endorsed.

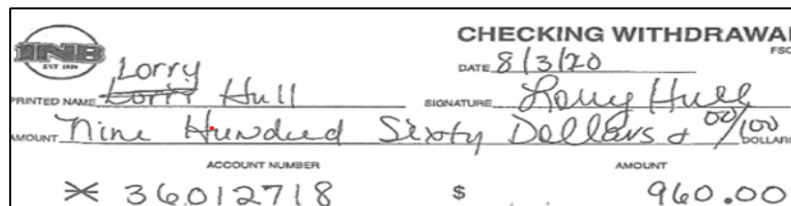
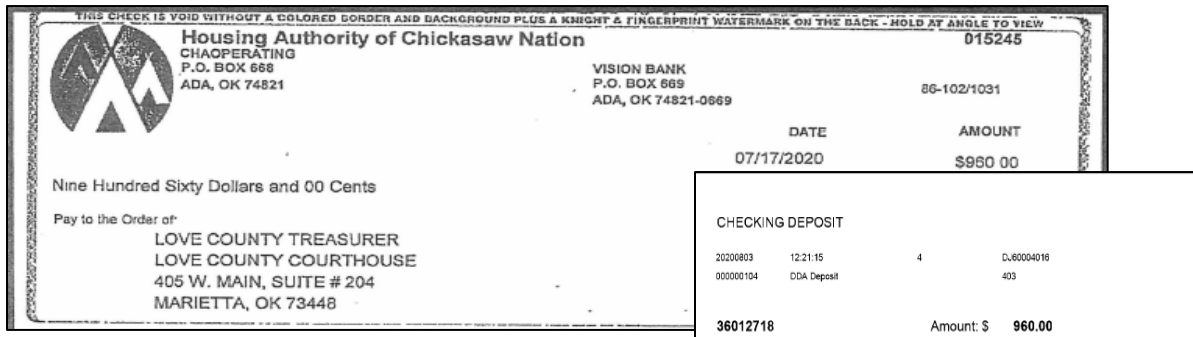


**Checking Withdrawal**

**Finding Hull misappropriated a \$960.00 vendor check, withdrawing the funds as a cash withdrawal immediately after deposit.**

The Housing Authority of Chickasaw Nation issued a check for \$960.00 to the county for a payment in lieu of taxes. The check was deposited into the official depository account on August 3, 2020, but the funds were not receipted or recorded into the county’s records.<sup>10</sup> On the same day, Hull signed a checking withdrawal form and withdrew the \$960.00 from the official depository bank account. No documentation could be found to indicate the \$960.00 cash was deposited into a county bank account or that the funds had been posted to the county’s general ledger.

The “LOVE COUNTY TREASURER” endorsement utilized in depositing this check was the same endorsement utilized in the improper transactions cashed out from the official depository account discussed above.



<sup>10</sup>The current treasurer discovered the lack of receipt and issued a receipt for the monies on November 12, 2020.

## Supplemental Work Performed

### Revenue

All payments received by the county treasurer's office between July 1, 2020, through August 31, 2020, were reviewed and traced to deposits per the bank records. *All revenue reviewed was deposited.*

Concerns were brought to our attention regarding the possible non-depositing of checks from two vendors, Dollar Tree and the Housing Authority of Chickasaw Nation. These vendors were contacted, and copies of all checks issued to the county were obtained. *All checks received from these vendors were traced to deposits.*<sup>11</sup>

### Ad Valorem Deposits

Per statute,<sup>12</sup> ad valorem tax payments are not to be made in more than two installments and all collection of taxes are to be receipted, recorded, and properly credited to the appropriate accounts.<sup>13</sup>

Between July 1, 2015, and September 30, 2020, the Love County Treasurer's office allowed citizens to make monthly or semi-monthly payments on their ad valorem taxes. These payments were deposited in the official depository account and were transferred periodically to the general bank account. *Allegedly the treasurer's office did not receipt all partial payments received so it could not be determined if partial payments were properly deposited and posted.*

### Credit Card Payments

Ad valorem and property taxes may be paid in person or by mail using cash, checks, bank drafts, money orders, or credit cards.<sup>14</sup> Hull received credit card payment reports through her personal email account. Office employees relied on Hull to provide the information required to post credit card payments to customer's accounts. Payment amounts were not verified by employees prior to issuing receipts and posting to the customer accounts. This process has since been changed.

A four-month sample of credit card payments was traced to receipts and to the bank statement deposits. *Except for an immaterial variance of \$15.53, credit card tax payments reviewed were properly receipted and deposited.*

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<sup>11</sup> Except for the \$960 check discussed previously.

<sup>12</sup> 68 O.S. § 2913(A)2

<sup>13</sup> 68 O.S. § 2914

<sup>14</sup> 68 O.S. § 2916



**APPENDIX A**

DEPOSITORY VOUCHER		LOVE COUNTY, OKLAHOMA		OFFICE OF COUNTY TREASURER ACCOUNT # 13		No 6511	
ISSUED FOR	AMOUNT	TO THE COUNTY TREASURER AS OFFICIAL DEPOSITORY	Marietta, Okla.,	July 9	20	20	
See attached	1488 47	PAY TO THE ORDER OF	Love Co Treasurer		\$1488 47		
		DRAWN FOR ID# See attached; expired vouchers		One thousand four hundred eighty eight & 47/100		DOLLARS	
TOTAL		1488 47		Larry Hull		As Shown in Margin Hereof OFFICER	
REGISTERED NO. 99	BY	Larry Hull		COUNTY TREASURER		By _____, DEPUTY	

\$2,446.32

DEPOSITORY VOUCHER		LOVE COUNTY, OKLAHOMA		OFFICE OF COUNTY TREASURER ACCOUNT # 13		No 6512	
ISSUED FOR	AMOUNT	TO THE COUNTY TREASURER AS OFFICIAL DEPOSITORY	Marietta, Okla.,	July 9	20	20	
See attached	957 85	PAY TO THE ORDER OF	Love County Treasurer		\$957.85		
		DRAWN FOR ID# see attached		Nine hundred fifty seven & 85/100		DOLLARS	
TOTAL		957 85		Larry Hull		As Shown in Margin Hereof OFFICER	
REGISTERED NO. 101	BY	Larry Hull		COUNTY TREASURER		By _____, Deputy	

Marietta Office

**CASH OUT TICKET**

TELLER NUMBER: 405

20200709 12:17:16 B860BB84 DJ60004018

000000018 Cashed Checks - Non Cust

Cash Out: \$ 2,446.32

**APPENDIX A - CONTINUED**

DEPOSITORY VOUCHER		LOVE COUNTY, OKLAHOMA		OFFICE OF COUNTY TREASURER ACCOUNT # 13		No 6513	
ISSUED FOR	AMOUNT	TO THE COUNTY TREASURER AS OFFICIAL DEPOSITORY	Marietta, Okla.,	July 13	2020		
TD# 102	1063.83	PAY TO THE ORDER OF	Love County Treasurer			\$ 1063.83	
		DRAWN FOR	TD# 102 Joshua And. Hicks - 2 yr limit excess				
		WHEN PROPERLY ENDORSED PAYABLE THROUGH		First National Bank		As Shown in Margin Hereof	
		First National Bank		Highway 52 West P.O. Box 10		OFFICER	
		Marietta, Oklahoma 73448		Larry Hule		Deputy	
TOTAL	1063.83	BY	Larry Hule	COUNTY TREASURER			
REGISTERED NO. 109		BY				Deputy	

Marietta Office

**CASH OUT TICKET**

TELLER NUMBER: 403

20200713 12:41:37 B860LB31 DJ60004016  
000000083 On Us Check 36012718

Cash Out: \$ 1,063.83

DEPOSITORY VOUCHER		LOVE COUNTY, OKLAHOMA		OFFICE OF COUNTY TREASURER ACCOUNT # 13		No 6514	
ISSUED FOR	AMOUNT	TO THE COUNTY TREASURER AS OFFICIAL DEPOSITORY	Marietta, Okla.,	July 13	2020		
TD# 99	9473.05	PAY TO THE ORDER OF	Love Co Treasurer			\$ 9473.05	
		DRAWN FOR	TD# 99 Julie Scott - 2 yr limit excess				
		WHEN PROPERLY ENDORSED PAYABLE THROUGH		First National Bank		As Shown in Margin Hereof	
		First National Bank		Highway 52 West P.O. Box 10		OFFICER	
		Marietta, Oklahoma 73448		Larry Hule		Deputy	
TOTAL	9473.05	BY	Larry Hule	COUNTY TREASURER			
REGISTERED NO. 110		BY				Deputy	

Marietta Office

**CASH OUT TICKET**

TELLER NUMBER: 403

20200713 12:43:08 B860LB31 DJ60004016  
000000084 On Us Check 36012718

Cash Out: \$ 9,473.05

**APPENDIX A - CONTINUED**

DEPOSITORY VOUCHER		LOVE COUNTY, OKLAHOMA		No 6515	
ISSUED FOR	AMOUNT	OFFICE OF COUNTY TREASURER ACCOUNT # 13			
TO excess		TO THE COUNTY TREASURER AS OFFICIAL DEPOSITORY			
expired		Marietta, Okla., July 27 2020			
vouchers	2066.26	PAY TO THE ORDER OF Love Co Treasurer \$2066.26			
		Two thousand sixty six dollars & 26/100 DOLLARS			
		DRAWN FOR ID# 140, 147, 143, 139, 146, 147, 106, 7, 8, 18, 137			
		WHEN PROPERLY ENDORSED PAYABLE THROUGH			
		First National Bank			
		Highway 22 West P.O. Box 10			
		Marietta, Oklahoma 73448			
TOTAL	2066.26	As Shown in Margin Hereof			
		Larry Hull OFFICER			
		By _____, Deputy			
REGISTERED NO. 147					
S.A. 81 FORM 2-14, MICHIGAN 24-PLURA					

Marietta Office

CASH OUT TICKET

TELLER NUMBER: 402

20200727 12:13:57 B8601M81 DJ60004018

000000084 On Us Check 36012718

Cash Out: \$ 2,066.26

**DISCLAIMER**

*In this report, there may be references to state statutes and legal authorities which appear to be potentially relevant to the issues reviewed by the State Auditor & Inspector's Office. This Office 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, prosecutorial, and/or judicial authorities designated by law.*

O·K·L·A·H·O·M·A  
S·A·I  
STATE AUDITOR & INSPECTOR



**Cindy Byrd, CPA | State Auditor & Inspector**

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