



The Honorable Cindy Byrd
State Auditor & Inspector
2300 N. Lincoln Blvd., Room 123
Oklahoma City, OK 73105

RE: Formal Request for Investigative Audit of the Oklahoma County Criminal Justice Authority.

Dear Auditor Byrd,

Pursuant to 74 O.S. § 212 (I), the Oklahoma County Board of County Commissioners formally requests that your office conduct an investigative audit of the Oklahoma County Criminal Justice Authority (AKA the Authority, the Trust, or Jail Trust).

The Authority is a public trust created pursuant to 60 O.S. § 176 et seq. by Oklahoma County for the benefit of Oklahoma County. More specifically, the Authority is charged with the administration, operation, and oversight of the Oklahoma County Detention Center.

The Board, at their regularly scheduled March 2, 2026, approved submitting this letter by a vote of _____.

This request is made to ensure that the Authority is following its statutory responsibilities with respect to the expenditure of public funds as outlined in 60 O.S. § 176 et seq.

We are requesting that the audit include, but not be limited to, the following:

1. Compliance with 60 O.S. 176 (H) which requires the Authority to “file annually, with their respective beneficiaries, copies of financial documents and reports sufficient to demonstrate the fiscal activity of such trust **including**, but not limited to, **budgets**, financial reports, bond indentures, and audits. **“Amendments to the adopted budget shall be approved by the trustees of the public trust and recorded as such in the official minutes of such trust.”** Upon review, the Board is unable to locate any public record where the Authority adopted an annual budget. Furthermore, since the Authority has failed to publicly adopt annual budgets, no records related to the adoption of budgetary changes throughout the current, or preceding fiscal years could be located. (See attached responses provided by the Authority to questions submitted by the Oklahoma County Budget Evaluation Team.)
2. Compliance with 60 O.S. 176 (F) which states, “No trust in which a county or municipality is the beneficiary shall hereafter create an indebtedness or obligation until the indebtedness or obligation has been approved by a two-thirds (2/3) vote of the governing body of the beneficiary. In the event a trust has more than one beneficiary, as authorized by this section, the trust shall not incur an indebtedness or obligation until the indebtedness or obligation has been approved by a two-thirds (2/3) vote of the governing

body of two-thirds (2/3) of the beneficiaries of the trust....” As of the writing of this letter, the Authority is knowingly spending in excess of its revenues and has indicated it will have debt in the range of \$5.8 million at the close of this fiscal year. It should be noted that Oklahoma County, as beneficiary, has not approved this indebtedness or obligation.

3. Review of all revenues, expenditures and debt obligations of the Authority from FY 21 through the current fiscal year.
4. Competitive Bidding Compliance from FY21 through the current fiscal year.
5. Lastly, on or about February 17, 2026, the Authority filed a “payroll request form” with the Oklahoma County Clerk. The change in the form included raises for approximately 100 employees and were effective for the February payroll period. These raises were authorized despite the Authority voting on January 10, 2026, to postpone raises given the Authority’s current budget situation.

Please provide an engagement letter and an estimate of the anticipated costs to the Board at your earliest convenience. We have designated Jessica Clayton, County Manager, as the primary contact for this matter. Ms. Clayton may be reached at (405) 713-1546 or by email at jessica.clayton@oklahomacounty.org.

We thank you for your attention to this urgent matter.

Sincerely,

The Oklahoma County Board of County Commissioners

Brian Maughan, Chairman

Jason Lowe, Vice-Chairman

Myles Davidson, Member

ATTEST:

Maressa Treat, County Clerk

1. Did the Trust, as a posted agenda item, formally review and authorize the submittal of your estimate of needs for the current FY? If not, who authorized the submittal? Please answer for each of the preceding FY's while the Trust has been charged with operating the OCDC.

The current administrative team was not in place during the development or submission of prior fiscal year budgets and was not involved in those discussions. Based on our review of available records, it appears that the Estimate of Needs was discussed with selected Trust members in prior years. However, we have not located documentation reflecting a formal Trust vote approving the Estimate of Needs as a specific agenda item for the most recent fiscal year.

What we do consistently observe in the minutes is that the Trust votes monthly to accept or deny the financial report presented by the CFO.

2. Did the Trust, as a posted agenda item, formally adopt your budget for current FY? If not, who approved the budget? Please answer same for each of the preceding FY's while the Trust has been charged with operating the OCDC.

After reviewing available records, we have not located documentation reflecting a formal Trust vote adopting the budget as a specific posted agenda item for the current or prior fiscal years. We have been advised that budget matters were discussed with Trust members; however, discussion and formal adoption are, of course, not the same thing.

It is also important to note that formal Trust approval is not legally required in order to submit a budget.

3. Does the Trust, as a posted agenda item, approve or deny the transfer of funds from one budget line-item or expenditure category, i.e. 5100 Salaries, 5200 Benefits, 5300 Travel, 5400 M &O, or 5500 Capital? If not, please explain the process for determining and approving such transfers.

Based on our review of prior practice, we have not identified a consistent process in which such transfers were placed on a posted agenda for formal approval or denial by the Trust. Historically, the administrator was afforded broad discretion to manage and administer the budget, including making determinations regarding transfers between line items as operational needs required.

We were not involved in any of the prior fiscal year decisions related to these matters. Our understanding is that budget adjustments were informally discussed with Trust members.