

STATUTORY REPORT

# ALFALFA COUNTY TREASURER

April 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

**VALERIE VETTER, COUNTY TREASURER  
ALFALFA COUNTY, OKLAHOMA  
TREASURER STATUTORY REPORT  
APRIL 30, 2015**

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This publication, issued by the Oklahoma State Auditor and Inspector's Office as authorized by 74 O.S. § 212, has not been printed, but is available on the agency's website ([www.sai.ok.gov](http://www.sai.ok.gov)) and in the Oklahoma Department of Libraries Publications Clearinghouse Digital Collection, pursuant to 74 O.S. § 3105.B.



# Oklahoma State Auditor & Inspector

2300 N. Lincoln Blvd. • State Capitol, Room 100 • Oklahoma City, OK 73105 • Phone: 405.521.3495 • Fax: 405.521.3426

July 2, 2015

BOARD OF COUNTY COMMISSIONERS  
ALFALFA COUNTY COURTHOUSE  
CHEROKEE, OKLAHOMA 73728

Transmitted herewith is the Alfalfa County Treasurer Statutory Report for April 30, 2015. The engagement was conducted in accordance with 74 O.S. § 212.

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". The signature is written in a cursive style with a long horizontal flourish at the end.

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



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Valerie Vetter, Alfalfa County Treasurer  
Alfalfa County Courthouse  
Cherokee, Oklahoma 73728

Dear Valerie Vetter:

For the purpose of complying with 74 O.S. § 212, we have performed the following procedures:

- Determine whether bank reconciliations are properly performed, visually verify the certificates of deposit, and confirm the investments.
- Determine whether subsidiary records are reconciled to the general ledger.
- Determine whether deposits and invested funds are secured by pledged collateral.

All information included in the bank reconciliations, the investment ledger, the subsidiary ledgers, and the general ledger is the representation of the County Treasurer.

Our county treasurer statutory engagement was limited to the procedures performed above and was less in scope than an audit performed in accordance with generally accepted auditing standards. Accordingly, we do not express an opinion on any basic financial statement of Alfalfa County.

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

This report is intended for the information and use of the management of the County. This restriction is not intended to limit the distribution of this report, which is a matter of public record.

A handwritten signature in blue ink that reads "Gary A. Jones".

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

June 17, 2015

**SCHEDULE OF FINDINGS AND RESPONSES**

**Finding 2015-01 – Inadequate Internal Controls Over Bank Account Reconciliations and the Official Depository Ledger**

**Condition:** Supporting documentation could not be provided for all reconciling items on the April 30, 2015 bank statement reconciliations. As a result, the following variances remained unresolved:

- A reconciling item of \$934.32 could not be supported on the bank statement reconciliation for the Official Depository Account.
- A reconciling item of \$8.00 could not be supported on the bank statement reconciliation for the Credit Card Account.
- A Treasurer's error of \$95.66 that occurred in January of 2015 remained unresolved and is a reconciling item for the April 30, 2015 bank statement reconciliation for the Investment Account.

Additionally, the Official Depository Ledger had an unexplained variance ledger balance of \$79.00 less than the Official Depository balance on the general ledger.

**Cause of Condition:** Policies and procedures have not been designed and implemented to ensure all bank accounts are reconciled, approved, and the amounts recorded on the bank accounts and ledger account balances are complete and accurate.

**Effect of Condition:** These conditions could result in unrecorded transactions, undetected errors, and misappropriation of funds.

**Management Response:**  
**County Treasurer:**

- **Official Depository Account with \$934.32 remaining balance:** After reconciling May's bank statement, there was a remaining balance that was much less than the \$934.32. The unreconciled amount is now a little more than \$30.00. I plan on going back as far as necessary to discover the difference causing banks to be unreconciled.
- **Balance of \$8.00 in the Credit Card Account:** I have been diligently working on ways to make the balancing of this account simpler and more accurate and thus making fewer errors.
- **Investment Account Error of \$95.36:** This error has been found and corrected. This was an error in transferring all of tax money to the Investment Account. This account should have \$2,500.00 left in the Tax Account at the end of each month. When transferring this money back into Tax Account there was a balance in Tax Account of \$95.36 and \$2,404.64 was transferred instead of the full \$2,500.00.

**VALERIE VETTER, COUNTY TREASURER  
ALFALFA COUNTY, OKLAHOMA  
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- **Official Depository Ledger Account:** The \$79.00 in question was marked when it occurred. It is proving to be quite difficult to find exactly what has happened in order to correct.

**Criteria:** To help ensure a proper accounting of funds, all bank accounts should have a bank statement reconciliation performed on a monthly basis and approved by someone other than the preparer and included an indication of review. Additionally, the Official Depository Ledger should be reconciled to the Official Depository Account on the general ledger.



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