



ALFALFA COUNTY TREASURER

Statutory Report

March 31, 2019

Cindy Byrd, CPA
State Auditor & Inspector

**VALERIE VETTER, COUNTY TREASURER
ALFALFA COUNTY, OKLAHOMA
TREASURER STATUTORY REPORT
MARCH 31, 2019**

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Cindy Byrd, CPA | State Auditor & Inspector

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July 15, 2019

BOARD OF COUNTY COMMISSIONERS
ALFALFA COUNTY COURTHOUSE
CHEROKEE, OKLAHOMA 73728

Transmitted herewith is the Alfalfa County Treasurer Statutory Report for March 31, 2019. 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 "Cindy Byrd".

CINDY BYRD, CPA
OKLAHOMA STATE AUDITOR & INSPECTOR



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

Dear Ms. 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.



CINDY BYRD, CPA
OKLAHOMA STATE AUDITOR & INSPECTOR

June 3, 2019



SCHEDULE OF FINDINGS AND RESPONSES

Finding 2019-001 – Official Depository and Bank Reconciliations

Condition: The County Treasurer's office continues to reconcile the bank accounts and ledgers with unsubstantiated reconciling items and negative balances. Supporting documentation could not be provided for all reconciling items on the March 31, 2019 bank statement reconciliations. As a result, the following balances and variances remain unresolved:

- There is a variance of \$79 between the general ledger and the official depository variance.
- In the Official Depository, there is a negative balance of \$1,084.00 for one of the officer accounts.
- There is an unreconciled variance of \$148.08 in the Daily Receipts bank account.
- There is an unreconciled variance of \$8.42 in the MISC OSW bank account.
- There is an unreconciled variance of \$2,798.44 in the S/N bank account.
- There is an unreconciled variance of \$990.34 in the ETR bank account.
- There is an unreconciled variance of \$664.94 in the Court Clerk Electronic Transfer Holding bank account.
- There is an unreconciled variance of \$856.26 in the Alfalfa County bank account.

Cause of Condition: Policies and procedures have not been designed and implemented to ensure all accounts are reconciled, approved, and the amounts recorded on the bank accounts and ledger account balances are complete and accurate. Policies and procedures have not been designed and implemented to ensure reconciling items are resolved in a timely manner.

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

Recommendation: The Oklahoma State Auditor and Inspector's Office recommends that the County design procedures to ensure that all activity on all bank statements is complete and accurate. We recommend that all accounts be reconciled on a monthly basis and in a timely manner.

Management Response:

County Treasurer: It is the goal and desire of myself and those in my office to work diligently to make sure all transfers and payments are made quickly and promptly to help prevent these issues from happening.

Criteria: Accountability and stewardship are overall goals in evaluating management's accounting of funds. Internal controls should be designed and implemented to analyze and check accuracy and completeness. 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 include 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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