



ATOKA COUNTY TREASURER

Statutory Report

May 31, 2024

Cindy Byrd, CPA
State Auditor & Inspector

**KIM HARKEY, COUNTY TREASURER
ATOKA COUNTY, OKLAHOMA
TREASURER STATUTORY REPORT
MAY 31, 2024**

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July 15, 2024

BOARD OF COUNTY COMMISSIONERS
ATOKA COUNTY COURTHOUSE
ATOKA, OKLAHOMA 74525

Transmitted herewith is the Atoka County Treasurer Statutory Report for May 31, 2024. 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



Kim Harkey, Atoka County Treasurer
Atoka County Courthouse
Atoka, Oklahoma 74525

Dear Ms. Harkey:

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 Atoka 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 24, 2024

SCHEDULE OF FINDINGS AND RESPONSES

Finding 2024-001 – Internal Controls Over Bank Reconciliations

Condition: While reviewing documentation and reperforming bank reconciliations for May 31, 2024, the following issues were noted:

- The Official Depository account reconciliation had an unknown variance of \$323.
- The Payroll Tax account reconciliation was not properly performed. The County’s adjusted bank balance of \$57,410 does not agree to the general ledger balance of \$1.

Cause of Condition: Policies and procedures have not been designed and implemented to ensure the accuracy of bank reconciliations and irregularities in financial records be investigated and 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 & Inspector’s Office (OSAI) recommends that the County design policies and procedures to ensure that all activity on all bank statements is complete and accurate. OSAI further recommends that all financial record irregularities be investigated in a timely manner.

Management Response:

County Treasurer: I have been researching the \$323 variance in the Official Depository for three (3) months. I will ensure reconciliations are properly performed for the bank accounts.

Criteria: The GAO Standards – Section 1 – Fundamental Concepts of Internal Control – OV1.01 states in part:

Definition of Internal Control

Internal control is a process effected by an entity’s oversight body, management, and other personnel that provides reasonable assurance that the objectives of an entity will be achieved.

The GAO Standards – Principle 10 – Design Control Activities – 10.03 states in part:

Appropriate documentation of transactions and internal control

Management clearly documents internal control and all transactions and other significant events in a manner that allows the documentation to be readily available for examination. The documentation may appear in management directives, administrative policies, or operating manuals, in either paper or electronic form. Documentation and records are properly managed and maintained.

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Accurate, and timely recording of transactions

Transactions are promptly recorded to maintain their relevance and value to management in controlling operations and making decisions. This applies to the entire process or life cycle of a transaction or event from its initiation and authorization through its final classification in summary records. In addition, management designs control activities so that all transactions are completely and accurately recorded.

The GAO Standards – Principle 16 – Perform Monitoring Activities –16.05 states in part:

Internal Control System Monitoring

Management performs ongoing monitoring of the design and operating effectiveness of the internal control system as part of the normal course of operations. Ongoing monitoring includes regular management and supervisory activities, comparisons, reconciliations and other routine actions.

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Cindy Byrd, CPA | State Auditor & Inspector

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