

STATUTORY REPORT

# BRYAN COUNTY TREASURER

August 31, 2012



*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

**NANCY CONNER, COUNTY TREASURER  
BRYAN COUNTY, OKLAHOMA  
TREASURER STATUTORY REPORT  
AUGUST 31, 2012**

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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

March 15, 2013

BOARD OF COUNTY COMMISSIONERS  
BRYAN COUNTY COURTHOUSE  
DURANT, OKLAHOMA 74701

Transmitted herewith is the Bryan County Treasurer Statutory Report for August 31, 2012. 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, appearing to read "Gary A. Jones".

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



# Oklahoma State Auditor & Inspector

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

Nancy Conner, Bryan County Treasurer  
Bryan County Courthouse  
Durant, Oklahoma 74701

Dear Ms. Conner:

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 Bryan 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, appearing to read "Gary A. Jones".

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

September 26, 2012

NANCY CONNER, COUNTY TREASURER  
BRYAN COUNTY, OKLAHOMA  
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**SCHEDULE OF FINDINGS AND RESPONSES**

**Finding 2011-1—Subsidiary Reconciliation**

**Condition:** The following exceptions were noted.

- As of August 31, 2012, an unidentified variance of \$15.11 was noted when comparing the official depository ledger to the general ledger.
- Ledgers are not maintained for schools and municipalities.

**Cause of Condition:** Procedures have not been designed to reconcile these ledgers monthly.

**Effect of Condition:** This condition could result in unrecorded transactions, misstated financial reports, undetected errors, or misappropriation of assets.

**Recommendation:** OSAI recommends that the subsidiary ledgers be maintained and reconciled to the general ledger on a monthly basis.

**Management Response:**

1. I maintain that the Official Depository Ledger has been reconciled monthly to the general ledger. Reconciliation to me is the comparison of the two ledgers to see if there is a difference in amounts, which I have been doing monthly. However, it does not mean to me that any discrepancy can be quickly resolved. If it can't, you continue to carry that forward on your reconciliation until you can resolve the problem. I am now and have been aware of the discrepancy. There was a discrepancy between the general ledger and Official Depository ledger amounts when I took office on July 2, 2007, although for a different amount. I have over the course of the past 5 years been continuously looking at procedures and numbers to resolve those differences. Since my general ledger was not accurate, it has taken longer because I have to check the accuracy of each ledger. I cannot assume that the general ledger is correct in my case. I started back in the 1970's, and found that cash in office was not always handled properly on one or both ledgers as offices increased or decreased their cash drawers. Therefore, the general ledger I started with was incorrect. To run these errors down and then determine exactly how to fix them is a time-consuming and arduous procedure, and cannot be completed within the space of a month. My intent is to finalize the research and fix it so that both ledgers are correct. However, that will still take a little more time. I truly hope to have this resolved before the next Annual Statutory Audit.
2. I am aware that subsidiary ledgers have not been maintained for schools and municipalities. There were no subsidiary ledgers in existence that I could find when I took office, and there were procedures I judged to be more urgent in getting started. It was my intent to have these ready to go for the beginning of FY 2012-2013, but I didn't accomplish this. I will get those started, and have specified that these subsidiary ledgers be included in a new tax collection and bookkeeping

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system which I am purchasing and installing. My goal is to have this finding satisfied before the next annual Treasurer's Statutory Annual Audit.

**Criteria:** Safeguarding controls are an aspect of internal control. Safeguarding controls relate to the prevention or timely detection of unauthorized transactions and unauthorized access to assets. Failure to perform tasks that are part of internal controls, such as maintaining subsidiary ledgers and reconciling them to the general ledger, are deficiencies in internal control.



**OFFICE OF THE STATE AUDITOR AND INSPECTOR**

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