

STATUTORY REPORT

CADDO COUNTY TREASURER

April 5, 2011



*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

**STAN JENNINGS, COUNTY TREASURER
CADDO COUNTY, OKLAHOMA
TREASURER STATUTORY REPORT
APRIL 5, 2011**

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Oklahoma State Auditor & Inspector

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April 29, 2011

BOARD OF COUNTY COMMISSIONERS
CADDO COUNTY COURTHOUSE
ANADARKO, OKLAHOMA 73005

Transmitted herewith is the Caddo County Treasurer Statutory Report for April 5, 2011. The engagement was conducted in accordance with 74 O.S. § 212.

We wish to take this opportunity to express our appreciation for the assistance and cooperation extended to our office during the course of our engagement.

The Office of the State Auditor and Inspector is committed to serve the public interest by providing independent oversight and to issue reports that serve as a management tool to the State to ensure a government which is accountable to the people of the State of Oklahoma.

Sincerely,

A handwritten signature in blue ink that reads "Gary A. Jones". The signature is fluid and cursive, with a long horizontal stroke at the end.

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



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Stan Jennings, County Treasurer
Caddo County Courthouse
Anadarko, Oklahoma 73005

Dear Mr. Jennings:

For the purpose of complying with 74 O.S. § 212, we have performed the following procedures for April 5, 2011:

- Review bank reconciliations, visually verify certificates of deposit, and confirm investments.
- Determine whether subsidiary records reconcile to the general ledger.
- Review pledged collateral securing deposits and invested funds.

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 general-purpose financial statements of Caddo County.

Based on the above bank reconciliations, visual verification, and confirmation procedures performed, cash and investments of the County are supported by accounting and bank records. However, with respect to the matters of pledged collateral securing deposits and unrecorded disbursement transactions on the general ledger, our findings are presented in the accompanying schedule of findings and responses.

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

April 6, 2011

**STAN JENNINGS, COUNTY TREASURER
CADDO COUNTY, OKLAHOMA
TREASURER STATUTORY REPORT
APRIL 5, 2011**

SCHEDULE OF FINDINGS AND RESPONSES

Finding 2011-1—Uncollateralized Deposits

Criteria: In accordance with 62 O.S. § 511 through § 513, the county treasurer should have adequate pledged securities to cover deposits held in financial institutions for the county.

Condition: At the treasurer review audit date of April 5, 2011, the Caddo County Treasurer was under-collateralized at the First State Bank of Anadarko. The general ledger bank balance for April 5, 2011, was \$13,468,753.49; however, the pledged securities at market rate were \$12,902,542.00, for an under-collateralized variance of (\$566,211.49).

Effect: The County has not adequately secured deposits and was at a risk of loss if a bank failure had occurred during this time period.

Recommendation: OSAI recommends the Treasurer comply with O.S. § 511 through § 513 and insure adequate pledged securities for deposits held in financial institutions for Caddo County.

Views of responsible officials and planned corrective actions: By April 12, 2011, the Caddo County general ledger account balances were reduced at First State Bank; new securities were applied, correcting this condition.

Finding 2011-2—Unrecorded Disbursement Transactions

Criteria: Accountability and stewardship are overall goals of management in the accounting of funds. To help ensure a proper accounting of funds, all funds in the name of the county should be included on the general ledger accounting system.

Condition: At the date of our review, April 5, 2011, the Capital Improvement bank account had not been posted to the general ledger for the months of September 2010 through February 2010. Total unrecorded disbursements equal \$404,609.82.

Effect: The total unrecorded transactions resulted in the County carrying a balance in the Capital Improvement bank account. That resulted in uncollateralized funds held at the First State Bank of Anadarko.

Recommendation: OSAI recommends all disbursements be posted to the general ledger on a daily basis to provide effective accounting controls over disbursement transactions.

Views of responsible officials and planned corrective actions: By April 12, 2011, the Caddo County general ledger account balances were reduced at First State Bank; new securities were applied, correcting this condition.



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