

STATUTORY REPORT

CHEROKEE COUNTY TREASURER

June 5, 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

**INEZ PEACE, COUNTY TREASURER
CHEROKEE COUNTY, OKLAHOMA
TREASURER STATUTORY REPORT
JUNE 5, 2012**

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Oklahoma State Auditor & Inspector

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July 26, 2012

BOARD OF COUNTY COMMISSIONERS
CHEROKEE COUNTY COURTHOUSE
TAHLEQUAH, OKLAHOMA 74464

Transmitted herewith is the Cherokee County Treasurer Statutory Report for June 5, 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". 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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Inez Peace, Cherokee County Treasurer
Cherokee County Courthouse
Tahlequah, Oklahoma 74464

Dear Ms. Peace:

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 Cherokee 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.

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

July 19, 2012

SCHEDULE OF FINDINGS AND RESPONSES

Finding 2012-1— General Ledger

Condition: The Renovations Account reflected a balance of \$20,280.26 on the general ledger as of June 5, 2012. The account was closed on May 17, 2012.

Cause of Condition: The account closure information was not properly disseminated to appropriate personnel for posting to the general ledger and the bank statements were not reconciled to the general ledger.

Effect of Condition: The general ledger does not accurately reflect the accounts of the County at June 5, 2012.

Recommendation: OSAI recommends management take steps to ensure the general ledger accurately reflects the funds on account with banks, which include reconciling the bank statements to the general ledger.

Management Response:

Inez Peace, Cherokee County Treasurer –

The Court Renovation bank account was closed on May 17, 2012, and deposited into our Official Account and vouchers were written to the Court Clerk. This transaction was not entered on our general ledger until June 7 after the bank accounts were reconciled. This has been corrected.

Criteria: To help ensure a proper accounting of funds, bank reconciliations should be performed on all accounts and the general ledger should accurately reflect the accounts of the County.



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