



COAL COUNTY TREASURER

Statutory Report

January 31, 2020

Cindy Byrd, CPA
State Auditor & Inspector

**GINA MCNUTT, COUNTY TREASURER
COAL COUNTY, OKLAHOMA
TREASURER STATUTORY REPORT
JANUARY 31, 2020**

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) and in the Oklahoma Department of Libraries Publications Clearinghouse Digital Prairie Collection (<http://digitalprairie.ok.gov/cdm/search/collection/audits/>) pursuant to 65 O.S. § 3-114.



Cindy Byrd, CPA | State Auditor & Inspector

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March 30, 2020

BOARD OF COUNTY COMMISSIONERS
COAL COUNTY COURTHOUSE
COALGATE, OKLAHOMA 74538

Transmitted herewith is the Coal County Treasurer Statutory Report for January 31, 2020. 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



Gina McNutt, County Treasurer
Coal County Courthouse
Coalgate, Oklahoma 74538

Dear Ms. McNutt:

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 Coal County.

Based on our procedures performed, we have presented our finding 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

March 24, 2020



SCHEDULE OF FINDINGS AND RESPONSES

Finding 2020-003 - Misstatement of General Ledger

Condition: While confirming the bank balances at the Coal County Treasurer's office, the following was noted:

FirstBank:

- A certificate of deposit in the amount of \$274,756 was listed on the general ledger at January 31, 2020. This certificate of deposit had been redeemed on January 8, 2020. This resulted in an overstatement of the general ledger.

Cause of Condition: Policies and procedures have not been designed and implemented to ensure all accounts are reconciled, approved, and accurately presented on the general ledger.

Effect of Condition: This condition resulted in unrecorded transactions, misstated financial reports, and undetected errors.

Recommendation: The Oklahoma State Auditor & Inspector's Office recommends that all accounts of the County Treasurer be properly reconciled monthly. Any variances or discrepancies should be researched immediately and be corrected in a timely manner.

Management Response:

County Treasurer: In the future, if a CD is cashed in, I will make sure it is properly recorded on the general ledger.

Criteria: The United States Government Accountability Office's *Standards for Internal Control in the Federal Government* (2014 version) aided in guiding our assessments and conclusion. Although this publication (GAO Standards) addresses controls in the federal government, this criterion can be treated as best practices and may be applied as a framework for an internal control system for state, local, and quasi-governmental entities.

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.

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

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.

O·K·L·A·H·O·M·A
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