COAL COUNTY TREASURER

NOVEMBER 26, 2008

ar.

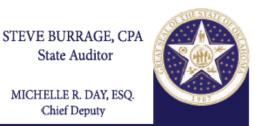


Oklahoma State Auditor & Inspector

GINA MCNUTT, COUNTY TREASURER COAL COUNTY, OKLAHOMA TREASURER STATUTORY REPORT NOVEMBER 26, 2008

This publication is printed and issued by the State Auditor and Inspector as authorized by 74 O.S. § 212. Pursuant to 74 O.S. § 3105.B, five (5) copies have been prepared and distributed at a cost of \$10.80. Copies have been deposited with the Publications Clearinghouse of the Oklahoma Department of Libraries.

STATE AUDITOR AND INSPECTOR



MICHELLE R. DAY, ESQ. Chief Deputy

State Auditor

2300 N. Lincoln Boulevard State Capitol, Room 100 Oklahoma City, OK 73105-4801 Phone (405) 521-3495 Fax (405) 521-3426 www.sai.ok.gov

January 6, 2009

BOARD OF COUNTY COMMISSIONERS COAL COUNTY COURTHOUSE COALGATE, OKLAHOMA 74538

Transmitted herewith is the Coal County Treasurer Statutory Report for November 26, 2008. 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,

STEVE BURRAGE, CPA **STATE AUDITOR & INSPECTOR**

STATE AUDITOR AND INSPECTOR



MICHELLE R. DAY, ESO. Chief Deputy

State Auditor

2300 N. Lincoln Boulevard State Capitol, Room 100 Oklahoma City, OK 73105-4801 Phone (405) 521-3495 Fax (405) 521-3426 www.sai.ok.gov

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 for November 26, 2008:

- 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 Coal County.

Based on the above reconciliations, visual verification, and confirmation procedures performed, the cash and investments of the County are supported by bank records and are adequately secured to prevent loss in the event of a bank failure. With respect to subsidiary records reconciling to the general ledger, our finding is 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.

Sincerely,

STATE AUDITOR & INSPECTOR

December 11, 2008

Finding 2009-1 – School Subsidiary Ledger and General Ledger (Repeat Finding)

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 reconciling the subsidiary ledger to the general ledger, are deficiencies in internal control.

Condition: We noted that the subsidiary ledger for schools does not reconcile to the general ledger.

Effect: This condition would cause the County Treasurer's office to have inaccurate records or incomplete information.

Recommendation: OSAI recommends that the subsidiary ledger for schools be reconciled to the general ledger on a monthly basis.

Views of responsible officials and planned corrective actions: The Treasurer's office has gone back to where this mistake was originally made, but cannot explain why. This problem was inherited from the prior County Treasurer. The current Treasurer will do whatever is needed to get this resolved.



OFFICE OF THE STATE AUDITOR AND INSPECTOR 2300 N. LINCOLN BOULEVARD, ROOM 100 OKLAHOMA CITY, OK 73105-4896

WWW.SAI.OK.GOV