

STATUTORY REPORT

GREER COUNTY TREASURER

September 29, 2017



*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

**DONNA BULL, COUNTY TREASURER
GREER COUNTY, OKLAHOMA
TREASURER STATUTORY REPORT
SEPTEMBER 29, 2017**

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Oklahoma State Auditor & Inspector

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November 15, 2017

BOARD OF COUNTY COMMISSIONERS
GREER COUNTY COURTHOUSE
MANGUM, OKLAHOMA 73554

Transmitted herewith is the Greer County Treasurer Statutory Report for September 29, 2017. 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 "Gary A. Jones". The signature is written in a cursive style with a long, sweeping tail on the letter "s".

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



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Donna Bull, Greer County Treasurer
Greer County Courthouse
Mangum, Oklahoma 73554

Dear Ms. Bull:

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 Greer 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

November 1, 2017

SCHEDULE OF FINDINGS AND RESPONSES

Finding 2018-1 - Inadequate Internal Controls Over the Collection Process (Repeat Finding)

Condition: Regarding collections within the office of the County Treasurer, the duties of receipting, depositing, and reconciling are not adequately segregated within the office. The Officer and one deputy are the only two full-time employees of the office. There does not appear to be a review or monitoring process in place to mitigate risks associated with limited staff.

Cause of Condition: Policies and procedures have not been designed and implemented with regard to segregating the duties over all aspects of the collection process.

Effect of Condition: A single person having responsibility for more than one area of recording, authorization, custody of assets, and execution of transactions could result in unrecorded transactions, misstated financial reports, clerical errors, or misappropriation of funds not being detected in a timely manner.

Recommendation: OSAI recommends management be aware of these conditions and realize that a concentration of duties and responsibilities in a limited number of individuals is not desired from a control point of view. The most effective procedures lie in management's overseeing of office operations and a periodic review of operations. OSAI recommends management provide segregation of duties so that one employee is unable to perform all accounting functions. In the event that segregation of duties is not possible due to limited personnel, OSAI recommends implementing compensating procedures to mitigate the risks involved with a concentration of duties. Compensating procedures would include separating key processes and/or critical functions of the office, and having management review and approval of accounting functions.

Management Response:

County Treasurer: The County Treasurer will implement some review processes to detect any errors in a timely manner.

Criteria: Accountability and stewardship are overall goals of management in accounting of funds. To help ensure a proper accounting of funds, the duties of receiving, receipting, recording, depositing cash and checks, reconciliations, and transaction authorization should be segregated.

Finding 2018-2 - Noncompliance Regarding Resale Property Fund Financial Statement

Condition: It was noted that the County Treasurer did not prepare and file a financial statement of the Resale Property Fund with the County Clerk for approval of the Board of County Commissioners on or before the 30th of June.

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Cause of Condition: Policies and procedures have not been designed and implemented to ensure that the Resale Property Fund financial statement is prepared and filed with the Board of County Commissioners in accordance with state statute.

Effect of Condition: This condition resulted in noncompliance with state statute.

Recommendation: The Oklahoma State Auditor and Inspector's Office (OSAI) recommends the County Treasurer prepare and file a financial statement of the Resale Property fund with the County Clerk for the approval of the Board of County Commissioners on or before the 30th of June of each year to ensure compliance with 68 O.S. § 3137(E).

Management Response:

County Treasurer: I have now prepared a Resale Property Fund financial statement, and it will be submitted for the Commissioners approval on October 23, 2017.

Criteria: Accountability and stewardship are overall goals of management in the accounting of funds. Internal controls should be designed and implemented to ensure that the financial statement of the Resale Property Fund is prepared and filed in compliance with 68 O.S. § 3137(E).



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