

**GREER  
COUNTY  
TREASURER**

**MAY 25, 2010**

**STATUTORY  
REPORT**



Oklahoma State Auditor  
& Inspector

**NITA MARCUM, COUNTY TREASURER  
GREER COUNTY, OKLAHOMA  
TREASURER STATUTORY REPORT  
MAY 25, 2010**

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# STATE AUDITOR AND INSPECTOR

STEVE BURRAGE, CPA  
State Auditor

MICHELLE R. DAY, ESQ.  
Chief Deputy



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August 9, 2010

BOARD OF COUNTY COMMISSIONERS  
GREER COUNTY COURTHOUSE  
MANGUM, OKLAHOMA 73544

Transmitted herewith is the Greer County Treasurer Statutory Report for May 25, 2010. 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 "Steve Burrage". The signature is written in a cursive, flowing style.

STEVE BURRAGE, CPA  
STATE AUDITOR & INSPECTOR

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Nita Marcum, County Treasurer  
Greer County Courthouse  
Mangum, Oklahoma 73544

Dear Ms. Marcum:

For the purpose of complying with 74 O.S. § 212, we have performed the following procedures for May 25, 2010:

- 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 Greer 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 and are adequately secured to prevent loss in the event of a bank failure. However, in performing the procedures, we noted a matter of segregation of duties, and 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,

A handwritten signature in blue ink that reads "Steve Burrage". The signature is written in a cursive, flowing style.

STEVE BURRAGE, CPA  
STATE AUDITOR & INSPECTOR

May 26, 2010

## **SCHEDULE OF FINDINGS AND RESPONSES**

### **Finding 20010-1—Segregation of Duties - Balancing**

Criteria: Accountability and stewardship are overall goals of management in the accounting of funds. To help ensure a proper accounting of funds, key duties and responsibilities should be segregated among different individuals to reduce the risk of error or fraud. No one individual should have the ability to authorize transactions, have physical custody of property, and record transactions.

Condition: The County Treasurer has two full-time deputies in her office; however, one deputy is primarily responsible for the duties of recording transactions on the daily report, general ledger, and reconciles transactions to the County Clerk's ledger. This deputy also prepares the deposit slips and the monthly apportionment.

Effect: 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 concentration of duties and responsibilities in a limited number of individuals is not desired from a control point of view. The most effective controls lie in management's overseeing of office operations and a periodic review of operations. OSAI recommends management provide segregation of duties so that no one employee is able to perform all accounting functions. In the event that segregation of duties is not possible due to limited personnel, OSAI recommends implementing compensating controls to mitigate the risks involved with a concentration of duties. Compensating controls would include separating key processes and/or critical functions of the office, and having management review and approval of accounting functions.

Views of responsible officials and planned corrective actions: Plans of actions will consist of dividing all duties, doing rotation on all the daily procedures in my office and doing this to the best of our abilities.

### **Finding 20010-2—Segregation of Duties - Receipting**

Criteria: Accountability and stewardship are overall goals of management in the accounting of funds. To help ensure a proper accounting of funds, key duties and responsibilities should be segregated among different individuals to reduce the risk of error or fraud. No one individual should have the ability to authorize transactions, have physical custody of property, and record transactions.

Condition: The County Treasurer has two full-time deputies in her office. The duties of receiving the mail, opening the mail, and distributing the mail are performed by one deputy. The duties of issuing receipts, posting receipts, and making deposits are performed by the same deputy, as well as by the Treasurer and the other deputy. The receipting and depositing duties are not segregated with regard to each function.

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Views of responsible officials and planned corrective actions: Plans of actions will consist of dividing all duties, doing rotation on all the daily procedures in my office and doing this to the best of our abilities.



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