

STATUTORY REPORT

HUGHES COUNTY TREASURER TURNOVER

December 28, 2010



*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

**COUNTY OFFICER TURNOVER STATUTORY REPORT
BOBBY SMITH
HUGHES COUNTY TREASURER
DECEMBER 28, 2010**

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Oklahoma State Auditor & Inspector

2300 N. Lincoln Blvd. • State Capitol, Room 100 • Oklahoma City, OK 73105 • Phone: 405.521.3495 • Fax: 405.521.3426

March 15, 2011

BOARD OF COUNTY COMMISSIONERS
HUGHES COUNTY COURTHOUSE
HOLDENVILLE, OKLAHOMA 74848

Transmitted herewith is the Hughes County Officer Turnover Statutory Report for December 28, 2010. The engagement was conducted in accordance with 19 O.S. § 171.

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 "Gary A. Jones". The signature is fluid and cursive.

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



Oklahoma State Auditor & Inspector

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Bobby Smith
Hughes County Treasurer
Hughes County Courthouse
Holdenville, Oklahoma 74848

For the purpose of complying with 19 O.S. § 171, we have performed the following procedures for December 28, 2010:

- Verify that equipment items on hand agree with inventory records as per 19 O.S. § 178.1.
- Verify that the amount of total claims approved for the operation of said Office is not in excess of limitations imposed by 19 O.S. § 347.
- Verify that the Office is not exceeding the maximum amount of cash authorized for their change needs per 19 O.S. § 682.
- Verify that a monthly report of the Office is on file with the County Clerk per 19 O.S. § 684.
- Verify that the County Treasurer's account balances reconcile with the bank's records.

Information addressed in this report is the representation of the respective county officers.

Our county officer turnover engagement was limited to the statutory procedures described above and was less in scope than an examination or audit performed in accordance with auditing standards generally accepted in the United States of America, the objective of which would be the expression of an opinion. Accordingly, we do not express an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

Based on our procedures performed, equipment items on hand agreed with inventory records; the amount of total claims approved for the operation of said Office was not in excess of limitations; and the Office was not exceeding the maximum amount of cash authorized for their change needs. With respect to a monthly report filed with the County Clerk, and the County's Treasurer's account balances reconciling with the bank's records, our findings are presented in the accompanying schedule of findings and responses.

This report is intended solely for the information and use of the management of the County and should not be used for any other purpose. This report is also a public document pursuant to the Oklahoma Open Records Act (51 O.S. § 24A.1 et seq.), and shall be open to any person for inspection and copying.

Sincerely,

A handwritten signature in blue ink that reads "Gary A. Jones". The signature is fluid and cursive, with the first name "Gary" being the most prominent.

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

February 25, 2011

**COUNTY OFFICER TURNOVER STATUTORY REPORT
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DECEMBER 28, 2010**

SCHEDULE OF FINDINGS AND RESPONSES

Finding 2011-1 – Monthly Fee Report

Criteria: Title 19 O.S. § 684 states in part:

...it shall be the further duty of all such officers, boards, commissions, and the members and employees of either thereof to make and file with the county clerk on or before the second Monday of each month, a verified report in writing showing the several sources, classes, and amounts of money received by virtue or under color of office during the preceding calendar month, together with an itemized statement of the amount and purpose of all vouchers issued in disbursement, distribution and transfer thereof...

This information should be shown on Form 140.

Condition: The County Treasurer does submit a monthly report, however, it is not submitted on the proper form and the monies received and disbursed are not itemized. The County Treasurer only shows a balance.

Effect: This condition would result in the County Treasurer being in violation of the law, regulation, or legislative intent and would result in inaccurate records or incomplete information.

Recommendation: OSAI recommends that the County Treasurer submit a completed monthly report on the proper form in accordance with 19 O.S. § 684.

Views of responsible officials and planned corrective actions: Going forward we will submit a monthly report on Form 140. We will include amounts of money received and voucher amounts, as well as the account balance.

Finding 2011-2 – Reconciliations

Criteria: Effective accounting procedures and internal controls are necessary to ensure stewardship and accountability of public funds. Safeguarding controls are an aspect of internal controls. Safeguarding controls relate to the prevention or timely detection of unauthorized transaction and unauthorized access to assets. Failure to perform tasks that are part of internal controls, such as reconciliations not performed or not timely prepared, are deficiencies in internal control.

Condition: The County Treasurer's General Ledger on December 28, 2010, did not indicate a check for \$32,578.97 for non-payable warrants that were picked up at the bank on December 20, 2010, for the General Bank Account.

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Effect: This condition could result inaccurate records or incomplete information.

Recommendation: OSAI recommends that all transactions be recorded by the end of the business day in which the transaction occurred.

Views of responsible officials and planned corrective actions: This error was corrected the day the auditor brought it to my attention. Going forward we will ensure that all checks for non-payable warrants are recorded on the general ledger



OFFICE OF THE STATE AUDITOR AND INSPECTOR

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