

**HUGHES
COUNTY
TREASURER**

JULY 30, 2010

**STATUTORY
REPORT**



Oklahoma State Auditor
& Inspector

**BOBBY SMITH, COUNTY TREASURER
HUGHES COUNTY, OKLAHOMA
TREASURER STATUTORY REPORT
JULY 30, 2010**

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STATE AUDITOR AND INSPECTOR

STEVE BURRAGE, CPA
State Auditor

MICHELLE R. DAY, ESQ.
Chief Deputy



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October 26, 2010

BOARD OF COUNTY COMMISSIONERS
HUGHES COUNTY COURTHOUSE
HOLDENVILLE, OKLAHOMA 74848

Transmitted herewith is the Hughes County Treasurer Statutory Report for July 30, 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".

STEVE BURRAGE, CPA
STATE AUDITOR & INSPECTOR

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

Dear Mr. Smith:

For the purpose of complying with 74 O.S. § 212, we have performed the following procedures for July 30, 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 Hughes County.

Based on the above bank 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. We noted a matter of the Court Clerk's Cash in Office account being reflected in the General Ledger, 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".

STEVE BURRAGE, CPA
STATE AUDITOR & INSPECTOR

September 30, 2010

**BOBBY SMITH, COUNTY TREASURER
HUGHES COUNTY, OKLAHOMA
SCHEDULE OF FINDINGS AND RESPONSES
JULY 30, 2010**

Finding 2011-1 – Cash in Office Account

Criteria: Effective internal controls include the reconciliation of the Cash in Office account, as well as the Official Depository Account, and investigation and correction of all variances and reconciling items. In addition, transactions should be recorded in an accurate manner.

Condition: It was noted that the Court Clerk's Cash in Office was \$50. However, this amount was not included in the Cash in Office amount on the County Treasurer's General Ledger but was included as part of the Official Depository Account. In addition, the \$50 was shown as a reconciling item on the Official Depository Account reconciliation due to the fact that the deposit from which the funds were withheld to establish the change fund was incorrectly recorded at the total original amount rather than at the actual reduced amount.

Effect: This condition resulted in the County Treasurer's office having inaccurate records and incomplete information.

Recommendation: We recommend that the County Treasurer investigate and correct all variances and reconciling items as appropriate and ensure that all cash is appropriately and accurately accounted for.

Views of responsible officials and planned corrective actions: The Court Clerk deposited \$50.00 cash from office on 09-10-10 to the official account. This will make the bank balance match the general ledger. The Court Clerk no longer has a change fund in her office at this time. All cash has been accounted for and all variances have been corrected.



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