

STATUTORY REPORT

KAY COUNTY TREASURER

May 21, 2013



Oklahoma State
Auditor & Inspector
Gary A. Jones, CPA, CFE

**CHRISTY KENNEDY, COUNTY TREASURER
KAY COUNTY, OKLAHOMA
TREASURER STATUTORY REPORT
MAY 21, 2013**

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Oklahoma State Auditor & Inspector

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June 24, 2013

BOARD OF COUNTY COMMISSIONERS
KAY COUNTY COURTHOUSE
NEWKIRK, OKLAHOMA 74647

Transmitted herewith is the Kay County Treasurer Statutory Report for May 21, 2013. 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, appearing to read "Gary A. Jones".

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



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Christy Kennedy, Kay County Treasurer
Kay County Courthouse
Newkirk, Oklahoma 74647

Dear Ms. Kennedy:

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 Kay 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.

A handwritten signature in blue ink, appearing to read "Gary A. Jones".

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

May 30, 2013

SCHEDULE OF FINDINGS AND RESPONSES

Finding 2013-1— Bank Reconciliations

Condition: Based on the review performed, there was no indication of review of the bank reconciliations by someone other than the preparer.

Cause of Condition: Procedures have not been designed and implemented to ensure all reconciliations are reviewed and approved by someone other than the preparer.

Effect of Condition: This condition could result in unrecorded transactions, misstated financial reports, undetected errors, or misappropriation of funds.

Recommendation: OSAI recommends that all bank reconciliations reflect an indication of review that they are approved by someone other than the preparer.

Management Response: The Treasurer does review all bank statements and even processes the monthly Miscellaneous Receipts for most bank statements, as well as, compare amounts to general ledger. In the future, the Treasurer will also initial each statement after review.

Criteria: To help ensure a proper accounting of funds, bank reconciliations should be performed on a monthly basis and approved by someone other than the preparer and include an indication of review.



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