

STATUTORY REPORT

LEFLORE COUNTY TREASURER

May 31, 2012



*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

**JOE WILES, COUNTY TREASURER
LeFLORE COUNTY, OKLAHOMA
TREASURER STATUTORY REPORT
MAY 31, 2012**

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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

September 17, 2012

BOARD OF COUNTY COMMISSIONERS
LeFLORE COUNTY COURTHOUSE
POTEAU, OKLAHOMA 74593

Transmitted herewith is the LeFlore County Treasurer Statutory Report for May 31, 2012. 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".

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



Oklahoma State Auditor & Inspector

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Joe Wiles, LeFlore County Treasurer
LeFlore County Courthouse
Poteau, Oklahoma 74953

Dear Mr. Wiles:

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 LeFlore County.

Based on our procedures performed, we have presented our finding 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

June 20, 2012

SCHEDULE OF FINDINGS AND RESPONSES

Finding 2012-1—Subsidiary Ledgers

Condition: The following exceptions were noted.

- Reconciliation was not performed between the general ledger and official depository ledger. An unidentified variance of \$15.63 was noted.
- Reconciliation was not performed between the general ledger and municipal account. An unidentified variance of \$760.94 was noted.
- Reconciliation was not performed between the general ledger and Independent School Districts account. An unidentified variance of \$19,280.36 was noted.
- Reconciliation was not performed between the general ledger and Joint School District account. An unidentified variance of \$169.21 was noted.

Cause of Condition: Procedures have not been designed to monitor subsidiary accounts to the general ledger.

Effect of Condition: This condition could result in incomplete and inaccurate amounts being reported on the general and the subsidiary ledgers.

Recommendation: OSAI recommends that the official depository, municipal, and school subsidiary ledgers be maintained and reconciled to the general ledger on a monthly basis.

Management Response: We are currently investigating the subsidiary ledger findings that you reported to my office on June 25, 2012. From this day forward my office will actively maintain and reconcile the mentioned subsidiary accounts on a monthly basis.

Criteria: Safeguarding controls are an aspect of internal control. Safeguarding controls relate to the prevention or timely detection of unauthorized transactions and unauthorized access to assets. Failure to perform tasks that are part of internal controls, such as maintaining subsidiary ledgers and reconciling them to the general ledger, are deficiencies in internal control.



OFFICE OF THE STATE AUDITOR AND INSPECTOR

2300 N. LINCOLN BOULEVARD, ROOM 100

OKLAHOMA CITY, OK 73105-4896

WWW.SAI.OK.GOV