



LOVE COUNTY TREASURER

Statutory Report

September 30, 2022

Cindy Byrd, CPA
State Auditor & Inspector

**KARLA SMITH, COUNTY TREASURER
LOVE COUNTY, OKLAHOMA
TREASURER STATUTORY REPORT
SEPTEMBER 30, 2022**

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OKLAHOMA
Office of the State Auditor & Inspector

Cindy Byrd, CPA | State Auditor & Inspector

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January 18, 2023

BOARD OF COUNTY COMMISSIONERS
LOVE COUNTY COURTHOUSE
MARIETTA, OKLAHOMA 73448

Transmitted herewith is the Love County Treasurer Statutory Report for September 30, 2022. 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 "Cindy Byrd".

CINDY BYRD, CPA
OKLAHOMA STATE AUDITOR & INSPECTOR



Karla Smith, Love County Treasurer
Love County Courthouse
Marietta, Oklahoma 73448

Dear Ms. Smith:

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 Love 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 that reads "Cindy Byrd".

CINDY BYRD, CPA
OKLAHOMA STATE AUDITOR & INSPECTOR

November 28, 2022

SCHEDULE OF FINDINGS AND RESPONSES

Finding 2023-001 - Lack of Internal Controls Over the Bank Reconciliation Process

Condition: Upon inquiry, observation of county records, and reconciliation of the General and Official bank accounts, the following was noted:

- The General bank account cannot be reconciled to the general ledger. There is an unidentified reconciling item of \$1,700 deducted from the bank statement balance and is marked as “unidentified in April 2022.”
- The County Treasurer documented \$30 as an “EFT Deposit not posted to the general ledger” as of September 30; however, the County Treasurer could not identify a \$30 deposit into the official depository bank account from the bank statement.

Cause of Condition: Internal controls have not been designed and implemented by the County Treasurer to identify all reconciling items in the reconciliation of bank statements to the general ledger.

Effect of Condition: These conditions could result in unrecorded transactions, misstated financial reports, or misappropriation of funds which may not be detected in a timely manner.

Recommendation: The Oklahoma State Auditor & Inspector’s Office (OSAI) recommends that accurate bank reconciliations be performed in a timely manner and that all reconciling items be identified.

Management Response:

County Treasurer: Reconciling items will be identified in the bank reconciliation processes and we will determine the best corrective action to take in correcting the unidentified error in the reconciliation of the General bank account to the general ledger.

Criteria: The GAO Standards – Principle 16 – Perform Monitoring Activities: 16.05 states in part:

Internal Control System Monitoring

Management performs ongoing monitoring of the design and operating effectiveness of the internal control system as part of the normal course of operations. Ongoing monitoring includes regular management and supervisory activities, comparisons, reconciliations, and other routine actions.

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