

STATUTORY REPORT

MCCURTAIN COUNTY TREASURER

February 29, 2016



*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

**LINDA LASTER, COUNTY TREASURER
MCCURTAIN COUNTY, OKLAHOMA
TREASURER STATUTORY REPORT
FEBRUARY 29, 2016**

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Oklahoma State Auditor & Inspector

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May 23, 2016

BOARD OF COUNTY COMMISSIONERS
MCCURTAIN COUNTY COURTHOUSE
IDABEL, OKLAHOMA 74745

Transmitted herewith is the McCurtain County Treasurer Statutory Report for February 29, 2016. 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", is written over a horizontal line.

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



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Linda Laster, McCurtain County Treasurer
McCurtain County Courthouse
Idabel, Oklahoma 74745

Dear Ms. Laster:

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 McCurtain 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

March 31, 2016

**LINDA LASTER, COUNTY TREASURER
MCCURTAIN COUNTY, OKLAHOMA
TREASURER STATUTORY REPORT
AS OF FEBRUARY 29, 2016**

SCHEDULE OF FINDINGS AND RESPONSES

Finding 2016-01 – Subsidiary Ledger Not Reconciled to General Ledger (Repeat Finding)

Condition: Reconciliations were not performed between the general ledger, cities and towns, and schools and vo-tech ledgers.

- An unidentified variance of \$12,124.34 was noted for cities and towns.
- An unidentified variance of \$41,852.26 was noted for schools.
- An unidentified variance of \$54,426.98 was noted for vo-tech.

Cause of Condition: Policies and procedures have not been designed and implemented 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 municipal and school subsidiary ledgers be maintained and reconciled to the general ledger on a monthly basis.

Management Response: We have worked on this for several months but have not fixed the situation. We will fix this soon.

Criteria: Safeguarding controls are an important 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.



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