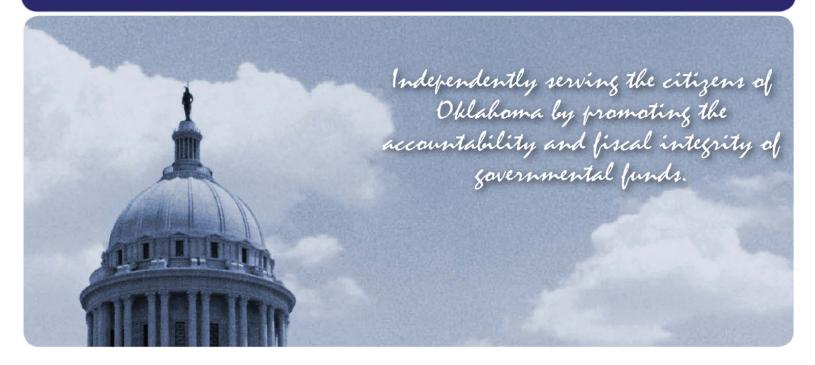
### STATUTORY REPORT

### MCCURTAIN COUNTY TREASURER

August 31, 2017





Oklahoma State Auditor & Inspector Gary A. Jones, CPA, CFE LINDA LASTER, COUNTY TREASURER McCURTAIN COUNTY, OKLAHOMA TREASURER STATUTORY REPORT AS OF AUGUST 31, 2017

This publication, issued by the Oklahoma State Auditor and Inspector's Office as authorized by 74 O.S. § 212, has not been printed, but is available on the agency's website (<u>www.sai.ok.gov</u>) and in the Oklahoma Department of Libraries Publications Clearinghouse Digital Prairie Collection (<u>http://digitalprairie.ok.gov/cdm/search/collection/audits/</u>) pursuant to 65 O.S. § 3-114.



## **Oklahoma State Auditor & Inspector**

2300 N. Lincoln Blvd. • State Capitol, Room 100 • Oklahoma City, OK 73105 • Phone: 405.521.3495 • Fax: 405.521.3426

February 26, 2018

BOARD OF COUNTY COMMISSIONERS McCURTAIN COUNTY COURTHOUSE IDABEL, OKLAHOMA 74745

Transmitted herewith is the McCurtain County Treasurer Statutory Report for August 31, 2017. 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,

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



# **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.

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

October 10, 2017

### SCHEDULE OF FINDINGS AND RESPONSES

#### Finding 2018-1 – Subsidiary Ledger Not Reconciled to General Ledger (Repeat Finding)

**Condition:** The following funds were listed on the Treasurer's general ledger with the balances presented below. However, these amounts were not presented on the corresponding subsidiary-ledger.

- \$11,860 was noted for municipalities.
- \$56,232 was noted for schools.
- \$54,427 was noted for vo-tech.
- \$13,400 was noted for emergency medical service.
- \$144,247 was noted for library.

**Cause of Condition:** Policies and procedures have not been designed and implemented to monitor and reconcile subsidiary accounts to the general ledger.

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

**Recommendation:** The Oklahoma State Auditor & Inspector's Office recommends that the subsidiary ledgers be maintained and reconciled to the general ledger on a monthly basis.

#### Management Response:

County Treasurer: I will get with the District Attorney's Office and get an opinion and correct this issue.

**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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