

STATUTORY REPORT

PAYNE COUNTY TREASURER

February 11, 2011



*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

**BONITA STADLER, COUNTY TREASURER
PAYNE COUNTY, OKLAHOMA
TREASURER STATUTORY REPORT
FEBRUARY 11, 2011**

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 (www.sai.ok.gov) and in the Oklahoma Department of Libraries Publications Clearinghouse Digital Collection, pursuant to 74 O.S. § 3105.B.



Oklahoma State Auditor & Inspector

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

August 2, 2011

BOARD OF COUNTY COMMISSIONERS
PAYNE COUNTY COURTHOUSE
STILLWATER, OKLAHOMA 74074

Transmitted herewith is the Payne County Treasurer Statutory Report for February 11, 2011. The engagement was conducted in accordance with 74 O.S. § 212.

We wish to take this opportunity to express our appreciation for the assistance and cooperation extended to our office during the course of our engagement.

The Office of the State Auditor and Inspector is committed to serve the public interest by providing independent oversight and to issue reports that serve as a management tool to the State to ensure a government which is accountable to the people of the State of Oklahoma.

Sincerely,

A handwritten signature in blue ink that reads "Gary A. Jones". The signature is fluid and cursive, with a long horizontal stroke at the end.

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



Oklahoma State Auditor & Inspector

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

Bonita Stadler, Payne County Treasurer
Payne County Courthouse
Stillwater, Oklahoma 74074

Dear Ms. Stadler:

For the purpose of complying with 74 O.S. § 212, we have performed the following procedures for February 11, 2011:

- Review bank reconciliations, visually verify certificates of deposit, and confirm investments.
- Determine whether subsidiary records reconcile to the general ledger.
- Review pledged collateral securing deposits and invested funds.

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 general-purpose financial statements of Payne 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 "Gary A. Jones".

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

June 7, 2011

**BONITA STADLER, COUNTY TREASURER
PAYNE COUNTY, OKLAHOMA
TREASURER STATUTORY REPORT
FEBRUARY 11, 2011**

SCHEDULE OF FINDINGS AND RESPONSES

Finding 2011-1 – Reconciliations and Closed Account

Criteria: Accountability and stewardship are overall goals of management in the accounting of funds. To help ensure a proper accounting of funds, reconciliations should be timely performed between the Treasurer's general ledger and the banks. All reconciliations should be reviewed and approved by someone other than the preparer.

Condition: Reconciliations could not be done on the general account (BancFirst #90046027). An account with a local bank had been closed, but remained on the general ledger with a balance of \$242.63.

Effect: Without reconciliations and adequate review and approval by someone other than the preparer increases the risk of unrecorded transactions, misstated financial reports, undetected errors, or misappropriation of funds.

Recommendation: OSAI recommends the County Treasurer take steps to ensure reconciliations be completed and reviewed and approved by someone other than the preparer.

Views of responsible officials and planned corrective actions: A completion of the bank reconciliation could have been done on the date the field auditor was here; however, the auditor chose to take the paper work with her. A few days later, the auditor and her supervisor called and spoke with the chief bookkeeper who provided them a copy of the reconciled balances. I believe the on-line payments that are posted to the bank may have given rise to some question. Bank reconciliations are being done on a regular basis and are being reviewed by someone other than the preparer.

The closed account which had a balance of \$242.63 was an error in posting of the interest amount when the Certificate of Deposit was closed. It has been corrected.

OSAI Response: On February 14, 2011, the January 2011 reconciliation for the General account had not been completed. The chief bookkeeper had to leave early on February 14, 2011, and was unable to start the reconciliation for January. The January reconciliation was sent to the auditor on the afternoon of February 24, 2011. From this point forward, the audit supervisor and auditor had several discussions with the chief bookkeeper trying to reconcile to February 11, 2011. The chief bookkeeper was able to reconcile to February 11 and sent the reconciliation to the auditor on March 29, 2011, but the general ledger amount for February 11 had changed from the general ledger provided to the auditor on the morning of February 14 and the change could not be determined.



OFFICE OF THE STATE AUDITOR AND INSPECTOR

2300 N. LINCOLN BOULEVARD, ROOM 100

OKLAHOMA CITY, OK 73105-4896

WWW.SAI.OK.GOV