

**POTTAWATOMIE  
COUNTY  
TREASURER**

SEPTEMBER 30, 2009

**STATUTORY  
REPORT**



Oklahoma State Auditor  
& Inspector

**WENDY MAGNUS, COUNTY TREASURER  
POTTAWATOMIE COUNTY, OKLAHOMA  
TREASURER STATUTORY REPORT  
SEPTEMBER 30, 2009**

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# STATE AUDITOR AND INSPECTOR

STEVE BURRAGE, CPA  
State Auditor

MICHELLE R. DAY, ESQ.  
Chief Deputy



2300 N. Lincoln Boulevard State Capitol, Room 100 Oklahoma City, OK 73105-4801 Phone (405) 521-3495 Fax (405) 521-3426 [www.sai.ok.gov](http://www.sai.ok.gov)

November 9, 2009

BOARD OF COUNTY COMMISSIONERS  
POTTAWATOMIE COUNTY COURTHOUSE  
SHAWNEE, OKLAHOMA 74801

Transmitted herewith is the Pottawatomie County Treasurer Statutory Report for September 30, 2009. 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 "Steve Burrage".

STEVE BURRAGE, CPA  
STATE AUDITOR & INSPECTOR

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Wendy Magnus, County Treasurer  
Pottawatomie County Courthouse  
Shawnee, Oklahoma 74801

Dear Ms. Magnus:

For the purpose of complying with 74 O.S. § 212, we have performed the following procedures for September 30, 2009:

- 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 Pottawatomie County.

Based on the above reconciliations, visual verification, and confirmation procedures performed, the cash and investments of the County are supported by accounting and bank records and are adequately secured to prevent loss in the event of a bank failure. With respect to the matter of segregation of duties, our finding is included in the accompanying schedule of findings and responses.

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.

Sincerely,

A handwritten signature in blue ink that reads "Steve Burrage".

STEVE BURRAGE, CPA  
STATE AUDITOR & INSPECTOR

November 4, 2009

**WENDY MAGNUS, COUNTY TREASURER  
POTTAWATOMIE COUNTY, OKLAHOMA  
TREASURER STATUTORY REPORT  
SEPTEMBER 30, 2009**

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**SCHEDULE OF FINDINGS AND RESPONSES**

**Finding 2010-1-Segregation of Duties**

Criteria: Accountability and stewardship are overall goals in evaluating management's accounting of funds. To help ensure a proper accounting of funds, the duties of receiving, receipting, recording, depositing cash and checks, reconciliations, and transaction authorization should be segregated.

Condition: Based on inquiries of personnel and testwork performed, it was noted that receiving, receipting, recording, depositing cash and checks, reconciliations, and transaction authorization within the office were not properly segregated to assure adequate internal control structure.

Effect: These conditions could result in unrecorded transactions, misstated financial reports, undetected errors, or misappropriation of funds.

Recommendation: OSAI recommends management be aware of these conditions and realize that concentration of duties and responsibilities in a limited number of individuals is not desired from a control point of view. The most effective controls lie in management's knowledge of office operations and a periodic review of operations.

Views of responsible officials and planned corrective actions: We concur with the State Auditor's finding. Management does have knowledge of office operations and will perform a periodic review of these operations.



**OFFICE OF THE STATE AUDITOR AND INSPECTOR  
2300 N. LINCOLN BOULEVARD, ROOM 100  
OKLAHOMA CITY, OK 73105-4896**

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