

**JENNY BETH CARAWAY, COUNTY TREASURER
PUSHMATAHA COUNTY, OKLAHOMA
TREASURER STATUTORY REPORT
DECEMBER 31, 2007**

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STATE OF OKLAHOMA
OFFICE OF THE AUDITOR AND INSPECTOR

JEFF A. McMAHAN
State Auditor and Inspector

February 15, 2008

BOARD OF COUNTY COMMISSIONERS
PUSHMATAHA COUNTY COURTHOUSE
ANTLERS, OKLAHOMA 74523

Transmitted herewith is the Pushmataha County Treasurer Statutory Report for December 31, 2007. 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 black ink that reads "Michelle R. Day".

MICHELLE R. DAY, Esq.
Deputy State Auditor and Inspector



STATE OF OKLAHOMA
OFFICE OF THE AUDITOR AND INSPECTOR

JEFF A. McMAHAN
State Auditor and Inspector

Jenny Beth Caraway, County Treasurer
Pushmataha County Courthouse
Antlers, Oklahoma 74523

Dear Ms. Caraway:

For the purpose of complying with 74 O.S. § 212, we have performed the following procedures for December 31, 2007:

- 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 Pushmataha 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. With respect to collateral securing deposits and invested funds in the event of bank failure, our finding is included in the schedule of findings and recommendations.

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 black ink that reads "Michelle R. Day". The signature is written in a cursive, flowing style.

MICHELLE R. DAY, Esq.
Deputy State Auditor and Inspector

February 12, 2008

SCHEDULE OF FINDINGS AND RESPONSES

2008-1 – Pledged Securities (Repeat Finding)

Criteria: Title 62 O.S. § 511 states, “Any custodian of public funds of any kind or character, required by law to secure proper collateral before depositing public funds in a bank or trust company, shall hereafter, in depositing public funds in a bank or trust company whose deposits are insured by the Federal Deposit Insurance Corporation, be required to secure proper collateral only for sums deposited in excess of the amount of deposit insured by such Federal Deposit Insurance Corporation.”

Title 62 O.S. § 513 states, “...treasurers of counties...having custody, control and management of any public or trust fund or funds charged with the safekeeping and deposit of said fund...in an amount and to the extent that such deposit is fully insured by the Federal Savings and Loan Insurance Corporation or any other instrumentality of the United States Government.” Title 62 O.S. § 517.3.A. states in part, “All public deposits made by a treasurer of a public entity in financial institutions shall be secured as provided for in the Security for Local Public Deposits Act.” Also, 19 O.S. § 121 states in part, “the county treasurer shall take from each of such banks security in a sum equal to the largest approximate amount that may be deposited in each bank respectively at any one time.”

Condition: The County Treasurer had deposits with FirstBank, Antlers, Oklahoma, in excess of deposit insurance at December 31, 2007, of \$1,095,144.81.

Effect: This condition could result in loss of County funds.

Recommendation: We recommend the County Treasurer require the financial institution to deposit collateral securities to secure public deposits in excess of deposit insurance.

Views of responsible officials and planned corrective actions: We concur with the State Auditor’s findings. We are taking measures to comply with the state statutes regarding pledged securities.



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