

STATUTORY REPORT

PUSHMATAHA COUNTY TREASURER

September 30, 2013



*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

**JENNY BETH CARAWAY, COUNTY TREASURER
PUSHMATAHA COUNTY, OKLAHOMA
TREASURER STATUTORY REPORT
SEPTEMBER 30, 2013**

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Oklahoma State Auditor & Inspector

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January 6, 2014

BOARD OF COUNTY COMMISSIONERS
PUSHMATAHA COUNTY COURTHOUSE
ANTLERS, OKLAHOMA 74523

Transmitted herewith is the Pushmataha County Treasurer Statutory Report for September 30, 2013. 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".

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



Oklahoma State Auditor & Inspector

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Jenny Beth Caraway, Pushmataha 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:

- 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 Pushmataha 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

October 22, 2013

**JENNY BETH CARAWAY, COUNTY TREASURER
PUSHMATAHA COUNTY, OKLAHOMA
TREASURER STATUTORY REPORT
SEPTEMBER 30, 2013**

SCHEDULE OF FINDINGS AND RESPONSES

Finding 2014-1—Segregation of Duties

Condition: The County Treasurer has segregated the duties of preparing/reviewing deposits and performing bank reconciliations; however, the same employees who perform these duties also issue receipts and can void or delete receipts. In addition, all employees can open the mail-in payments and issue receipts. A daily mail log is not maintained.

Cause of Condition: In order to facilitate the efficiency of the office, the County Treasurer's office utilizes all employees to issue receipts. The office has a limited resource of personnel to provide service to the citizens of Pushmataha County; therefore, the duties of individuals will sometimes overlap.

Effect of Condition: A single person having responsibility for more than one area of recording, authorization, custody of assets, and execution of transactions could result in unrecorded transactions, misstated financial reports, clerical errors, or misappropriation of funds not being detected in a timely manner.

Recommendation: OSAI recommends management implement procedures to provide a proper segregation of duties over the collections process. The employees issuing receipts should not have security level within the IT system to void or delete receipts. Also, an employee who performs the bookkeeping/reconciling function of the office should not issue receipts.

Management Response: While I agree that we do not have enough segregation of duties, due to limited financial resources, we do take every precaution to ensure that all monies are properly receipted and accounted for. Our computer system does show when a receipt is cancelled and is reviewed by the County Treasurer. We are able to leave explanations on tax accounts for cancelled or voided tax receipts.

Criteria: Accountability and stewardship are overall goals of management in the accounting of funds. To help ensure a proper accounting of funds, the duties of receipting collections, delivering deposit, and maintaining financial ledgers/reconciliations should be segregated.



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