

STATUTORY REPORT

PUSHMATAHA COUNTY TREASURER

April 30, 2013



Oklahoma State
Auditor & Inspector
Gary A. Jones, CPA, CFE

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

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Oklahoma State Auditor & Inspector

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July 12, 2013

BOARD OF COUNTY COMMISSIONERS
PUSHMATAHA COUNTY COURTHOUSE
ANTLERS, OKLAHOMA 74523

Transmitted herewith is the Pushmataha County Treasurer Statutory Report for April 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

May 7, 2013

SCHEDULE OF FINDINGS AND RESPONSES

Finding 2013-1—Segregation of Duties

Condition: The Treasurer has implemented some controls regarding the collections process. However, some duties have not been adequately segregated and we noted the following weaknesses:

- All employees can deposit funds.
- The person reconciling the statements can also issue receipts and void receipts.

Cause of Condition: Procedures have not been designed to adequately segregate the duties over the collections process.

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

Recommendation: The Oklahoma State Auditor & Inspector's Office (OSAI) recommends management implement procedures to provide a proper segregation of duties over the collections process. The employees issuing receipts should not have security levels within the IT system to void or delete receipts. Also, an employee who performs the bookkeeping/reconciling function of the office should not also issue receipts.

Management Response: I agree with the OSAI finding; however, due to limited funds, we are unable to hire enough personnel to handle each separate duty. I and my deputies will continue to monitor each other's work to ensure that all public funds are properly received and accounted for.

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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