



SEQUOYAH COUNTY TREASURER

Statutory Report

October 30, 2020

Cindy Byrd, CPA
State Auditor & Inspector

**ANGELA GIST, COUNTY TREASURER
SEQUOYAH COUNTY, OKLAHOMA
TREASURER STATUTORY REPORT
OCTOBER 30, 2020**

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Cindy Byrd, CPA | State Auditor & Inspector

2300 N. Lincoln Blvd., Room 123, Oklahoma City, OK 73105 | 405.521.3495 | www.sai.ok.gov

February 18, 2021

BOARD OF COUNTY COMMISSIONERS
SEQUOYAH COUNTY COURTHOUSE
SALLISAW, OKLAHOMA 74955

Transmitted herewith is the Sequoyah County Treasurer Statutory Report for October 30, 2020. 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 that reads "Cindy Byrd".

CINDY BYRD, CPA
OKLAHOMA STATE AUDITOR & INSPECTOR



Angela Gist, Sequoyah County Treasurer
Sequoyah County Courthouse
Sallisaw, Oklahoma 74955

Dear Angela Gist:

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 Sequoyah County.

Based on our procedures performed, we have presented our finding 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.



CINDY BYRD, CPA
OKLAHOMA STATE AUDITOR & INSPECTOR

January 19, 2021



SCHEDULE OF FINDINGS AND RESPONSES

Finding 2021-002 - Reconciliation of Investment Ledger to General Ledger

Condition: Upon review of the investment ledger, the following was noted:

- One (1) certificate of deposit account registry service (CDARS) investment was not listed on the investment ledger (CDAR 1023918605).
- The investment ledger does not include interest earned on CDARS investments; therefore, the investment balances are not reconciled to the general ledger there is a variance of \$88,102.

Cause of Condition: Policies and procedures have not been designed and implemented to ensure all accounts are reconciled, approved, and accurately presented on the general ledger or investment ledger.

Effect of Condition: These conditions resulted in unrecorded transactions and could result in misstated financial reports and undetected errors.

Recommendation: The Oklahoma State Auditor & Inspector's Office recommends that the investment ledger be maintained and reconciled to the general ledger on a monthly basis. Also, any variances or discrepancies should be researched immediately and be corrected in a timely manner.

Management Response:

County Treasurer: We recently changed the way our CDARS investments were grouped as well as the way the interest is paid out. I chose to roll the interest in an effort to generate more interest income for the county. In doing this, I overlooked creating a new record for one of the accounts. Also, I did change the way that I was recording interest. I will look into this matter and find a solution.

Criteria: The United States Government Accountability Office's *Standards for Internal Control in the Federal Government* (2014 version) aided in guiding our assessments and conclusion. Although this publication (GAO Standards) addresses controls in the federal government, this criterion can be treated as best practices and may be applied as a framework for an internal control system for state, local, and quasi-governmental entities.

The GAO standards – Principle 10 – Design Control Activities –10.03 states in part:

Accurate and timely recording of transactions

Transactions are promptly recorded to maintain their relevance and value to management in controlling operations and making decisions. This applies to the entire process or life cycle of a transaction or event from its initiation and authorization through its final classification in summary records. In addition, management designs control activities so that all transactions are completely and accurately recorded.

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S·A·I
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