

**WASHITA  
COUNTY  
TREASURER  
TURNOVER**

**JUNE 21, 2010**

**STATUTORY  
REPORT**



Oklahoma State Auditor  
& Inspector

**COUNTY OFFICER TURNOVER STATUTORY REPORT  
BYRON GORE  
WASHITA COUNTY TREASURER  
JUNE 21, 2010**

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# STATE AUDITOR AND INSPECTOR

STEVE BURRAGE, CPA  
State Auditor

MICHELLE R. DAY, ESQ.  
Chief Deputy



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August 4, 2010

BOARD OF COUNTY COMMISSIONERS  
WASHITA COUNTY COURTHOUSE  
CORDELL, OKLAHOMA 73632

Transmitted herewith is the Washita County Treasurer Officer Turnover Report for June 21, 2010. The engagement was conducted in accordance with 19 O.S. § 171.

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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Byron Gore  
Washita County Treasurer  
Washita County Courthouse  
Cordell, Oklahoma 73632

For the purpose of complying with 19 O.S. § 171, we have performed the following procedures for June 21, 2010:

- Verify that equipment items on hand agree with inventory records as per 19 O.S. § 178.1.
- Verify that the amount of total claims approved for the operation of said Office is not in excess of limitations imposed by 19 O.S. § 347.
- Verify that the Office is not exceeding the maximum amount of cash authorized for their change needs per 19 O.S. § 682.
- Verify that a monthly report of the Office is on file with the County Clerk per 19 O.S. § 684.
- Verify that the County Treasurer's account balances reconcile with bank records.

Information addressed in this report is the representation of the respective county officers.

Our county officer turnover engagement was limited to the statutory procedures described above and was less in scope than an examination or audit performed in accordance with auditing standards generally accepted in the United States of America, the objective of which would be the expression of an opinion. Accordingly, we do not express an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

Based on our procedures performed, equipment items on hand agreed with inventory records; the amount of total claims approved for the operation of said Office was not in excess of limitations; the Office was not exceeding the maximum amount of cash authorized for their change needs; a monthly report of the Office was on file with the County Clerk; and the County Treasurer's account balances reconciled with bank records. In performing the procedures, we noted a lack of segregation of duties, and the finding is presented in the accompanying schedule of findings and responses.

This report is intended solely for the information and use of the management of the County and should not be used for any other purpose. This report is also a public document pursuant to the Oklahoma Open Records Act (51 O.S. § 24A.1 et seq.), and shall be open to any person for inspection and copying.

A handwritten signature in blue ink that reads "Steve Burrage". The signature is written in a cursive style with a large initial "S" and a long horizontal stroke.

STEVE BURRAGE, CPA  
STATE AUDITOR & INSPECTOR

June 28, 2010

**COUNTY OFFICER TURNOVER STATUTORY REPORT**  
**BYRON GORE**  
**WASHITA COUNTY TREASURER**  
**JUNE 21, 2010**

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**SCHEDULE OF FINDINGS AND RESPONSES**

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

Criteria: Accountability and stewardship are overall goals of management in the accounting of funds. To help ensure a proper accounting of funds, key duties and responsibilities should be segregated among different individuals to reduce the risk of error or fraud. No one individual should have the ability to authorize transactions, have physical custody of assets, and record transactions.

Condition: The County Treasurer has two full-time deputies; however, one deputy performs most duties of posting transactions to the daily report, posting transactions to the general ledger, and reconciling transactions to the County Clerk's ledger. This deputy also prepares the monthly report, warrant register, and cancels vouchers and warrants.

Effect: 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 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 overseeing of office operations and a periodic review of operations. OSAI recommends management provide segregation of duties so that no one employee is able to perform all accounting functions. In the event that segregation of duties is not possible due to limited personnel, OSAI recommends implementing compensating controls to mitigate the risks involved with a concentration of duties. Compensating controls would include separating key processes and/or critical functions of the office, and having management review and approval of accounting functions.

Views of responsible officials and planned corrective actions: The new Treasurer will establish policy so each employee is able to receive funds through miscellaneous receipts, mortgages, taxes and official depository. Depositing at the end of the day will be performed by two different people. The Treasurer will verify amounts deposited from each office before going to the bank. Bank statements will be performed by one person and checked by another.



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