

STATUTORY REPORT

SEQUOYAH COUNTY TREASURER

November 10, 2010



*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

**TRICA YATES, COUNTY TREASURER
SEQUOYAH COUNTY, OKLAHOMA
TREASURER STATUTORY REPORT
NOVEMBER 10, 2010**

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Oklahoma State Auditor & Inspector

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March 28, 2011

BOARD OF COUNTY COMMISSIONERS
SEQUOYAH COUNTY COURTHOUSE
SALLISAW, OKLAHOMA 74955

Transmitted herewith is the Sequoyah County Treasurer Statutory Report for November 10, 2010. 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 blue ink that reads "Gary A. Jones". The signature is written in a cursive style.

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



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Trica Yates, County Treasurer
Sequoyah County Courthouse
Sallisaw, Oklahoma 74955

Dear Ms. Yates:

For the purpose of complying with 74 O.S. § 212, we have performed the following procedures for November 10, 2010:

- 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 Sequoyah County.

Based on the above visual verification and confirmation procedures performed, the cash and investments of the County are supported by accounting and bank records and are adequately secured to prevent loss in the event of a bank failure. With respect to the federal tax account not being on the general ledger and reconciliations, our finding is presented in the accompanying schedule of findings and responses.

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 that reads "Gary A. Jones".

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

November 23, 2010

**TRICA YATES, COUNTY TREASURER
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SCHEDULE OF FINDINGS AND RESPONSES

Finding 2011-1 – Bank Reconciliations and Federal Tax Account

Criteria: Title 19 O.S. § 642 states in part:

The county treasurer shall keep a cash book, in which he shall enter an account of all money by him received...

Accountability and stewardship are overall goals of management in the accounting of funds. To help ensure a proper accounting of funds, a reconciliation should be performed on a monthly basis between the Treasurer's general ledger and the banks. The reconciliation should be approved by someone other than the preparer.

Condition: From test work performed, we noted the Federal Tax Account in the County's name and tax identification number, with a balance of \$37,717.22, was not on the Treasurer's General Ledger and was not being reconciled by the Treasurer's office.

Effect: Without a bank reconciliation and disclosure on the general ledger, this increases the risk of misappropriation of County monies.

Recommendation: OSAI recommends all accounts be reconciled on a monthly basis and in a timely manner, and be approved by someone other than the preparer. Also, the Federal Tax account activities should be included on the General Ledger.

Views of responsible officials and planned corrective actions: Management did not respond.



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