



State of Oklahoma
Department of Central Services
Audit Unit
Report Released November 10, 2009

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AUDIT PERFORMED BY

JoRay McCoy, Chief Auditor
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AUDIT CONCLUSION

Based on our audit, we have determined the Oklahoma Accountancy Board has *significantly* complied with the objectives of the audit.

The objectives of this audit were to:

- Determine if the Agency has implemented internal controls and if the Agency's controls are operating effectively in relation to the purchase card program, and;
- Determine if the Agency's purchase card program is in compliance with Oklahoma State Purchase Card Procedures and approved internal purchasing procedures as they relate to the acquisition process through the use of purchase cards.

AUDIT FINDING SUMMARY

The Agency did not have significant findings to report for the audit period reviewed.

AUDIT OVERVIEW

For the audit period May 27, 2008 to June 28, 2009, the Agency had one purchase cardholder and one approving official in the Agency. The Agency only holds a standard purchase card. For the audit period, there were 127 purchase card transactions for a total of \$35,564.57. Classical sampling through IDEA Statistical Software was used to pull a random sample of individual purchase card transactions for substantive testing. Our random sample included 18 transactions. We judgmentally selected 8 transactions, for a total sample of 26 transactions totaling \$8,408.97.

During the course of our audit, the Agency's only cardholder separated from the Agency. Until the new program participants have been identified and have attended purchase card training, the Agency has temporarily suspended their purchase card program.

This audit was performed pursuant to 74 O.S. § 85.5.E. and the State of Oklahoma Purchase Card Procedures in accordance with generally accepted Government Auditing Standards.



The Department of Central Service, Auditing Unit has completed an audit of the Oklahoma Accountancy Board, referred to as the "Agency" within the audit report. Our audit was to determine if the Agency's purchase card program for the period May 28, 2008 to June 29, 2009 complied with the audit objectives.



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Agency Accomplishments

- The Agency effectively manages risk by keeping the purchase card program size relative to the size of their Agency and only using the purchase card when it is necessary.
- Excellent attention to detail in documentation and reconciliation.
- Purchase Card files and monthly transaction documentation were very well-organized.
- Outstanding communication among program participants as well as with the audit staff during the course of the audit.
- The Agency maintains the use of a transaction log, which is no longer required; however, they use it as an added internal control.

METHODOLOGY

- Interviews were conducted with the Agency's staff members.
- Internal controls over the purchase card program were documented and evaluated.
- A statistical sample of transactions from cardholders was examined.
- Overall program compliance with the State of Oklahoma Purchase Card Procedures and rules promulgated thereto was evaluated.

EXECUTIVE SUMMARY

Organization

The first accountancy law was enacted by the Oklahoma Legislature in 1917 and the board was recreated by the legislature in 2004 in accordance with the Oklahoma Sunset Law to administer the provisions of the Oklahoma Accountancy Act for the protection of the public. The board is composed of five certified public accountants and one public accountant who serve for five-year terms and one lay member who serves coterminous with the governor. All members are appointed by the governor and confirmed by the Senate, and are responsible for promulgating rules of general application, setting forth guidelines for agency operations and governing the professional practices of the registrants. The agency is self-supporting through fees. Re-created until 2010.

Agency Information

Per Oklahoma Agencies, Boards, and Commissions (ABC) Book, the Agency is made up of nine unclassified, non-merit employees as of September 1, 2008.

Board Members

Carlos E. Johnson, CPA, Chair
Wade Biswell, CPA, Vice Chair
Janice L. Gray, CPA, Secretary
Barbara Ley, CPA
Tom Volturo, Public Member
E.B. St. John, PA
Vicky Petete, CPA

Key Staff

Edith Steele, Executive Director
Nicole Prieto Johns, Deputy Director

APPENDIX

DIRECTOR'S TRANSMITTAL LETTER

JOHN S. RICHARD
Director



BRAD HENRY
Governor

STATE OF OKLAHOMA
DEPARTMENT OF CENTRAL SERVICES

November 10, 2009

Edith Steele, Executive Director
Oklahoma Accountancy Board
4545 N. Lincoln Boulevard, Suite 165
Oklahoma City, OK 73105

**TO MS. EDITH STEELE, EXECUTIVE DIRECTOR AND THE BOARD OF THE
OKLAHOMA ACCOUNTANCY BOARD**

With this letter, we transmit the report of the Accountancy Board Purchase Card Program audit for the audit period May 28, 2008 to June 29, 2009.

We performed our audit in accordance with professional auditing standards to ensure that programs and contracts administered by the Department of Central Services are conducted in accordance with laws and regulations and used in an ethical, economical, equitable, effective and efficient manner while limiting exposure to fraud, waste, mismanagement, or abuse.

The accompanying report presents our findings and recommendations, as well as management's responses and corrective action plans. This report is available to the public on the Department of Central Services website, www.dcs.ok.gov.

Sincerely,

John S. Richard
Director of the Department of Central Services

"Committed to Quality"

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