

OPERATIONAL AUDIT

OKLAHOMA COUNCIL ON JUDICIAL COMPLAINTS

For the period July 1, 2011 through December 31, 2013



*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

**Audit Report of the
Oklahoma Council on Judicial Complaints**

**For the Period
July 1, 2011 through December 31, 2013**



Oklahoma State Auditor & Inspector

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August 15, 2014

TO THE OKLAHOMA COUNCIL ON JUDICIAL COMPLAINTS

This is the audit report of the Oklahoma Council on Judicial Complaints for the period July 1, 2011 through December 31, 2013. 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.

This report is 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.

Sincerely,

A handwritten signature in blue ink that reads "Gary A. Jones".

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

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Background

Created in 20 O.S. § 1652, the Council receives and investigates allegations of judicial misconduct and when appropriate can recommend intervention or discipline by the Supreme Court or the removal or mandatory retirement of a judge by the Court on the Judiciary. The Council has jurisdiction to investigate the conduct of all persons subject to the Oklahoma Code of Judicial Conduct, including state, municipal and administrative judges.

The Council consists of three members, each serving a five-year term, two of whom must be members of the Oklahoma Bar Association. The appointing authorities are the Speaker of the House of Representatives, the President Pro Tempore of the Senate, and the President of the Oklahoma Bar Association. Duties and responsibilities of the Council include holding hearings, administering oaths and receiving testimony and other evidence. The Council may also issue and serve subpoenas. Proceedings before the Council are confidential.

This mission of the agency is to efficiently and impartially investigate complaints regarding the conduct of persons holding judicial positions and to determine if such complaints should be the subjects of an action before the Court on the Judiciary, the Oklahoma Supreme Court, or should be dismissed.

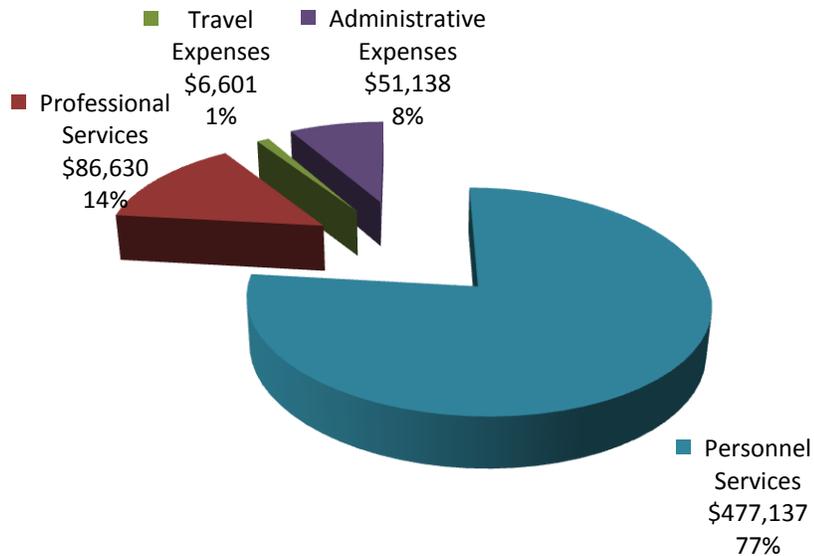
Board members as of July 2014 are:

Glen D. Huff Chairman
Jerry Franklin Vice - Chairman
Cathy Christensen Member

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During the period July 1, 2011 through December 31, 2013, the Council received \$1,200,798 in total revenues, \$1,125,887 in court fees and \$74,911 in general appropriations. The following chart illustrates the Agency's expenditures during the same period.¹

**Expenditures by Category for July 1, 2011 through
December 31, 2013**



Scope and Methodology

Our audit was conducted in response to **74 O.S. § 212**, which requires the State Auditor and Inspector's office to audit the books and accounts of all state agencies whose duty it is to collect, disburse, or manage funds of the state.

We conducted this operational audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our finding and conclusions based on our audit objective.

In planning and conducting our audit, we focused on the major financial-related areas of operations based on assessment of materiality and risk for the period July 1, 2011 through December 31, 2013. Our audit procedures included inquiries of appropriate personnel, inspections of documents and records, and observations of the Council's operations. We also tested a sample of transactions to achieve our objectives. To

¹ This information was obtained from Oklahoma PeopleSoft accounting system. It is for informational purposes only and has not been audited.

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ensure the samples were representative of the population and provided sufficient, appropriate evidence, the random sample methodology was used. We identified specific attributes for testing each of the samples and when appropriate, we projected our results to the population.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, errors or fraud may occur and not be detected. Also, projections of any evaluation of internal control to future periods are subject to the risk that conditions may change or compliance with policies and procedures may deteriorate.

OBJECTIVE

Determine whether the Agency's internal controls provide reasonable assurance that expenditures, including payroll, were accurately reported in the accounting records, and financial operations complied with significant laws and regulations.

Conclusion

The agency's internal controls provide reasonable assurance that expenditures, other than payroll, were reported accurately in the accounting records. The agency's internal controls generally provide reasonable assurance that expenditures related to payroll were accurately reported in the accounting records; however, one area could be strengthened.

Financial operations complied with the following statutes:

- **20 O.S. 22 § 1660**, which requires that expenditures be approved by the chair of the Council on Judicial Complaints, by the Council on Judicial Complaints upon a majority of the vote of its members, or by the Executive Director as directed by the chair.
- **28 O.S. 4 § 152E** requires a court fee of two dollars (\$2.00) be assessed and credited to the agency revolving fund. The agency receives the \$2 court fee from the county clerks.

FINDING AND RECOMMENDATION

Observation

Two OPM-14 forms were not completed in a timely manner

An effective internal control system ensures payroll changes (such as hires, separations, and pay rate changes) are properly documented and approved.

A Council member resigned effective February 13, 2013 and the same day, an individual was appointed as a Council member to replace the previous member. Management did not complete the required Office of

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Management and Enterprise Services (OMES) *Request for Personnel Action* (OPM-14 form) at the time of the resignation and hire.

The OPM-14 forms were not completed until we requested them in June of 2014. By not completing the OPM-14 forms, there is no assurance that payroll changes are adequately documented and approved.

Recommendation

We recommend the executive director document his review and approval of personnel actions on the required OMES OPM-14 form prior to payroll change.

Views of Responsible Officials

The Council contracts with and relies upon OMES for the administration of human service issues and payroll processing. As a result of this finding and recommendation, the Council has reviewed the requirement for the filing of the OPM Form-14 with our OMES representative and will insure that the form is properly and timely filed upon any future personnel changes.



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