



STATE OF OKLAHOMA
OFFICE OF THE STATE AUDITOR & INSPECTOR

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**MOTOR VEHICLE
COMMISSION**

JULY 1, 2003 THROUGH JUNE 30, 2004



JEFF A. McMAHAN, CFE
OKLAHOMA STATE AUDITOR & INSPECTOR

Motor Vehicle Commission
Statutory Examination Report
For the Period July 1, 2003 to June 30, 2004

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STATE OF OKLAHOMA
OFFICE OF THE AUDITOR AND INSPECTOR

JEFF A. McMAHAN
State Auditor and Inspector

September 15, 2005

TO THE BOARD OF COMMISSIONERS OF THE MOTOR VEHICLE COMMISSION

Transmitted herewith is the Statutory Examination Report for the Motor Vehicle Commission. The procedures we performed were conducted pursuant to 74 O.S. § 212.

The Office of the State Auditor and Inspector is committed to serve the public interest by providing independent oversight and by issuing reports that serve as a management tool to the State. Our goal is to ensure a government that is accountable to the people of the State of Oklahoma.

We wish to take this opportunity to express our appreciation to the agency's staff for the assistance and cooperation extended to our office during the course of our engagement.

Sincerely,

A handwritten signature in blue ink that reads "Jeff A. McMAHAN".

JEFF A. McMAHAN
State Auditor and Inspector

Table of Contents

Background, Board of Commissioners, and Key Staff ii
Report of the State Auditor and Inspector..... 1
Statement of Receipts, Disbursements and Changes in Cash 2
Other Information..... 3

Background

The mission of the Oklahoma Motor Vehicle Commission is to prevent frauds, impositions, and other abuses upon Oklahoma citizens; to preserve the franchise system of motor vehicle distribution; to prevent undue control of independent new motor vehicle dealers by the manufacturers or distributors; and to prevent false and misleading advertising and unfair trade practices by dealers, manufacturers, distributors, and salespersons of new motor vehicles.

Board of Commissioners

DAVID OAKLEY	CHAIRMAN
TERRY REYNOLDS	VICE CHAIRMAN
BOB HOWARD	SECRETARY
MARION DAVIDSON	MEMBER
DAN MULLINS	MEMBER
DON THORNTON	MEMBER
P. MARK MOORE	MEMBER
EUGENE CHUMBLEY	MEMBER
CHARLOTTE BRITTON	MEMBER

Key Staff

ROY K. DOCKUM	EXECUTIVE DIRECTOR
MARILYN MAXWELL	DEPUTY DIRECTOR



STATE OF OKLAHOMA
OFFICE OF THE AUDITOR AND INSPECTOR

JEFF A. McMAHAN
State Auditor and Inspector

TO THE BOARD OF COMMISSIONERS OF THE MOTOR VEHICLE COMMISSION

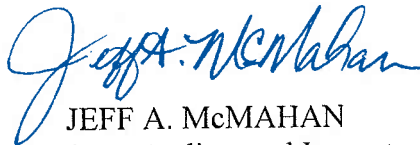
For the purpose of complying with 74 O.S. § 212, we have performed the following procedures for the fiscal year 2004:

1. We reviewed internal controls over cash, receipts and disbursements.
2. We tested a sample of deposits to determine they were properly posted to the financial records and had adequate supporting documentation.
3. We tested a sample of disbursements to determine they were properly posted to the financial records and had adequate supporting documentation.
4. We performed analytical procedures to test the reasonableness of payroll disbursements;

We also prepared a Schedule of Receipts, Disbursements and Changes in Cash from information obtained from the statewide CORE accounting system. This schedule has been included for informational purposes only.

Our procedures were limited to those defined above and were less in scope than would be necessary to express an opinion on any of the items referred to above or to express an opinion on the effectiveness of the Oklahoma Motor Vehicle Commission's internal control or any part thereof. Accordingly, we do not express such opinions. Alternatively, we have identified the procedures we performed. There were no findings resulting from these procedures

Sincerely,


JEFF A. McMAHAN
State Auditor and Inspector

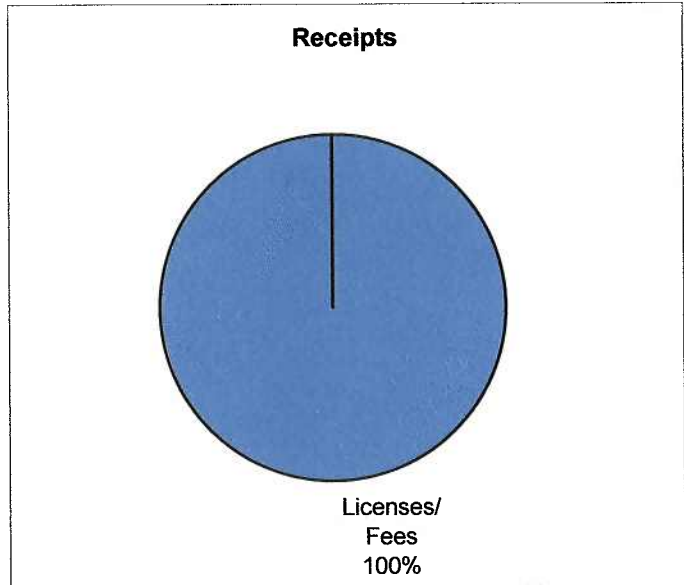
September 15, 2005

MOTOR VEHICLE COMMISSION

SCHEDULE OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH FOR THE YEAR ENDED JUNE 30, 2004

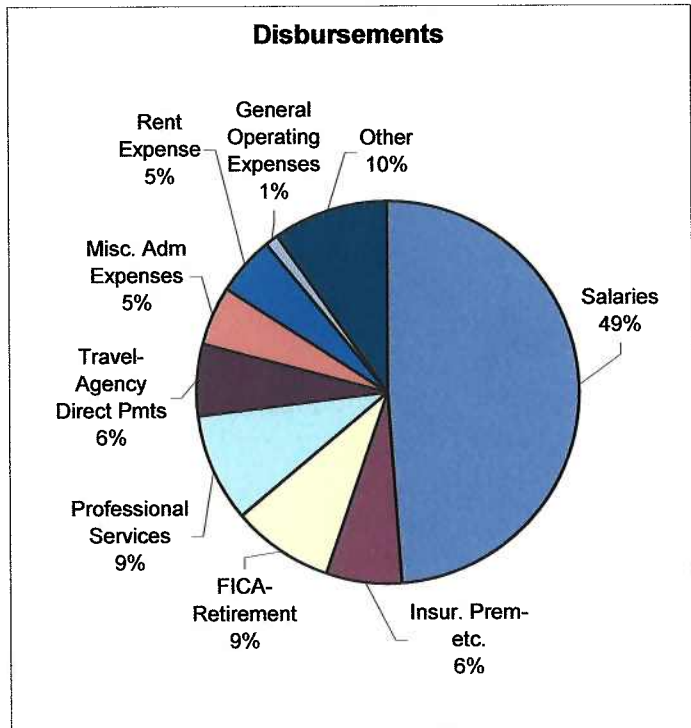
RECEIPTS:

License/ Fee	271,259
Total Receipts	271,259



DISBURSEMENTS:

Salary Expense	142,697
Insu. Prem-Hlth_Life, etc.	18,762
FICA-Retirement Contributions	25,574
Professional Services	25,978
Inter/Intra Agency Pmt-Prof-Se	596
Travel-Reimbursement	17,213
Travel-Agency Direct Pmts	369
Misc. Administrative Expenses	14,899
Rent Expense	14,117
Maintenance & Repair Expense	946
Specialized Sup & Mat. Expense	13
General Operating Expenses	2,544
Office Furniture & Equipment	28,532
Loans, Taxes, Other Disbursements	1
Total Disbursements	292,241



RECEIPTS OVER (UNDER) DISBURSEMENTS -20,982

CASH - Beginning of year 613,071

CASH - End of year 592,089

Other Information

Clearing Account

The Oklahoma Motor Vehicle Commission maintains a clearing account to deposit revenues collected on a daily basis. All items deposited into the clearing account are held there until such items have been honored by the paying entity. Once these items have been honored, the revenues are transferred for deposit into the agency's operating fund(s). The agency's clearing account had a cash balance of \$175,270 at June 30, 2004. As of this date, this amount had not yet been deposited into the agency's operating fund(s) and is not considered to be available to fund the agency's general operations. As a result, the clearing account's cash balance, revenues, and disbursements are not included in the accompanying Schedule of Receipts, Disbursements, and Changes in Cash Balance.

Payments to the State General Revenue Fund

In accordance with 62 § 211, the Oklahoma Motor Vehicle Commission shall remit 10% of all license and fee revenues received to the State of Oklahoma General Revenue Fund. During fiscal year 2004, the agency submitted \$30,140 to the State's General Revenue Fund. As previously discussed, the agency maintains a clearing account in which receipts are deposited. When the required deposit of monies is made to the State's General Revenue Fund, it is made directly from the agency's clearing account. As a result, these receipts and disbursements are not included in the accompanying Schedule of Receipts, Disbursements, and Changes in Cash.



OFFICE OF THE STATE AUDITOR & INSPECTOR

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