



STATE OF OKLAHOMA
OFFICE OF THE STATE AUDITOR & INSPECTOR

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**BOARD OF EXAMINERS OF
PSYCHOLOGISTS**

JULY 1, 2003 THROUGH JUNE 30, 2004



JEFF A. McMAHAN, CFE
OKLAHOMA STATE AUDITOR & INSPECTOR

**Board of Examiners of Psychologists
Statutory Examination Report
For the Period July 1, 2003 to June 30, 2004**

This publication is printed and issued by the State Auditor and Inspector, as required by 74 O.S. §212. Pursuant to 74 O.S. §3105, 5 copies have been prepared and distributed at a cost of \$4.35. Copies have been deposited with the Publications Clearinghouse of the Oklahoma Department of Libraries.



STATE OF OKLAHOMA
OFFICE OF THE AUDITOR AND INSPECTOR

JEFF A. McMAHAN
State Auditor and Inspector

June 14, 2005

TO THE BOARD OF DIRECTORS OF EXAMINERS OF PSYCHOLOGISTS

Transmitted herewith is the Statutory Examination Report for the Board of Examiners of Psychologists. 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

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Background

The mission of the Board of Examiners of Psychologists is to protect the public by regulating the practice of psychology and insuring ethical practice in the State of Oklahoma.

Board Members

CHERYL KILPATRICK, PH.D.....	CHAIR
CARROL R. WEAVER, PH.D.....	VICE-CHAIR
TOM BRIAN, ED.D.....	MEMBER
GALE HOBSON, PH.D.....	MEMBER
PHILIP HYDE, PH.D.....	MEMBER
RUTH ANN KELLY, BSN, RN.....	MEMBER
FRED RUBLIN, DDS.....	MEMBER

Key Staff

SUE FLEMING.....	EXECUTIVE OFFICER
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STATE OF OKLAHOMA
OFFICE OF THE AUDITOR AND INSPECTOR

JEFF A. McMAHAN
State Auditor and Inspector

TO THE BOARD OF DIRECTORS OF EXAMINERS OF PSYCHOLOGISTS

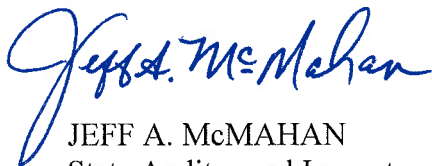
For the purpose of complying with 74 O.S. § 212, we have performed the following procedures for the fiscal year 2004:

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 Board of Examiners of Psychologists internal control or any part thereof. Accordingly, we do not express such opinions. Alternatively, we have identified the procedures we performed and the finding resulting from those procedures.

Sincerely,


JEFF A. McMAHAN
State Auditor and Inspector

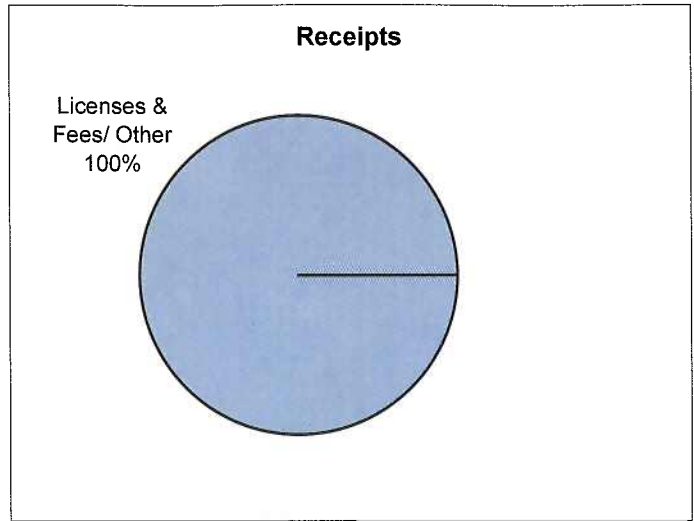
June 8, 2005

BOARD OF EXAMINERS OF PSYCHOLOGISTS

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

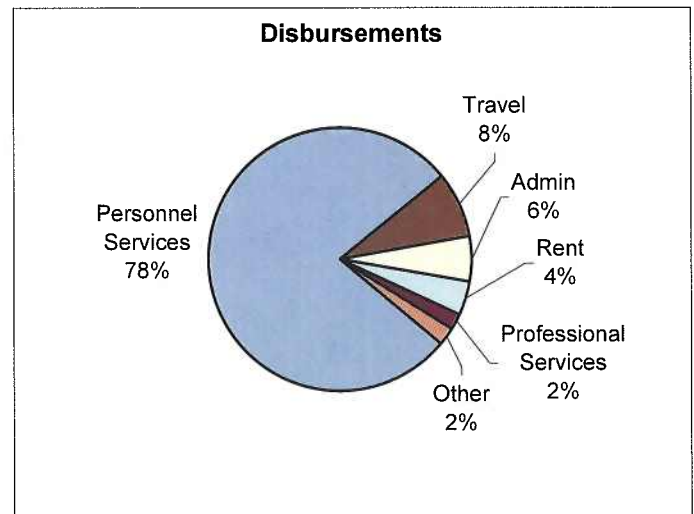
RECEIPTS:

Licenses and Fees	162,062
Other	50
Total Receipts	162,112



DISBURSEMENTS:

Personnel Services	132,837
Travel	13,713
Administrative	9,569
Rent	6,886
Professional Services	3,594
Other	3,667
Total Disbursements	170,266



**RECEIPTS OVER (UNDER)
DISBURSEMENTS**

(8,154)

CASH - Beginning of year

133,345

CASH - End of year

125,191

Findings/Recommendations

Finding #1

During our review of internal controls over disbursements, we noted the person responsible for preparing expenditure claims and reconciling with OSF (recordkeeping functions), is the same person who is responsible for approving claims (authorization function). If duties are not adequately segregated, errors and irregularities may occur and not be detected in a timely manner. To prevent this from occurring, we recommend the agency have another individual authorize the payment claims to ensure duties are properly segregated.

Management's Response:

This is a very small agency and I am the only full time employee with an Administrative Assistant that works part time. We try very hard to segregate duties to the best of our ability while still carrying out our duties in an efficient and timely manner. I sign the claims as well as reconcile the OSF records with the co-signature of my assistant. This procedure seems to work best in order to process the claims in a timely manner. If another person would approve the claims it could hold up payment of claims for up to a week at times; however, if it is the recommendation of your office, we will gladly alter our procedure.

Other Information

Clearing Account

The Board of Examiners of Psychologists 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 \$1,025 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 74 O.S. 2001 § 4256, the Board of Examiners of Psychologists 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 \$18,062 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.



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