



STATE OF OKLAHOMA
OFFICE OF THE STATE AUDITOR & INSPECTOR

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**STATE BUREAU OF
INVESTIGATION**

JULY 1, 2003 THROUGH JUNE 30, 2004



JEFF A. McMAHAN, CFE
OKLAHOMA STATE AUDITOR & INSPECTOR

State Bureau of Investigation
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 \$4.10. 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

May 5, 2005

**TO THE BOARD OF DIRECTORS OF THE STATE BUREAU OF
INVESTIGATION**

Transmitted herewith is the Statutory Examination Report for the State Bureau of Investigation. 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. McMahon".

JEFF A. McMAHAN
State Auditor and Inspector

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Background

The mission of the State Bureau of Investigation is to provide exceptional investigative, laboratory and information services to the criminal justice community through our statutory requestors, while providing outstanding customer service to the general public.

Board Members

TED FARISS	CHAIR
STANLEY GLANZ	VICE CHAIR
MICKEY PERRY	MEMBER
ANNE HOLZBEIERLEIN	MEMBER
RUSTY NOBLE	MEMBER
ROB HUDSON	MEMBER
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A. DEWADE LANGLEY.....	DIRECTOR
THOMAS D. JORDAN	DEPUTY DIRECTOR
GLENDA FOGLEMAN.....	DIVISION DIRECTOR



STATE OF OKLAHOMA
OFFICE OF THE AUDITOR AND INSPECTOR

JEFF A. McMAHAN
State Auditor and Inspector

**TO THE BOARD OF DIRECTORS OF THE STATE BUREAU OF
INVESTIGATION**

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, revenues and expenditures.
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 State Bureau of Investigation'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

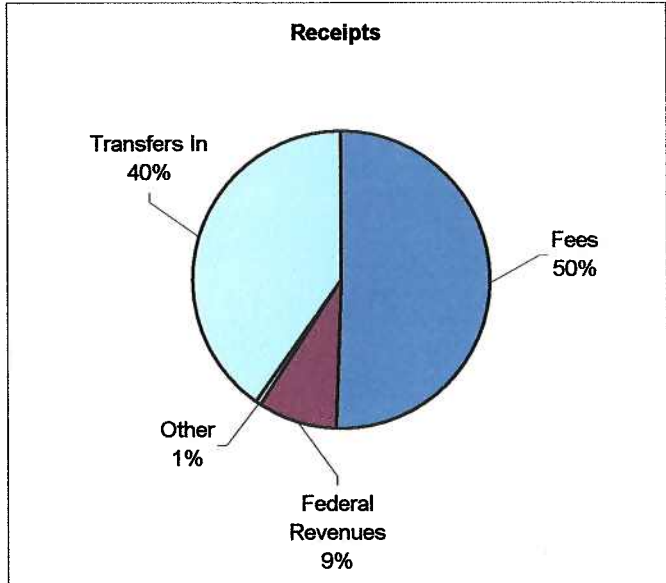
April 19, 2005

STATE BUREAU OF INVESTIGATION

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

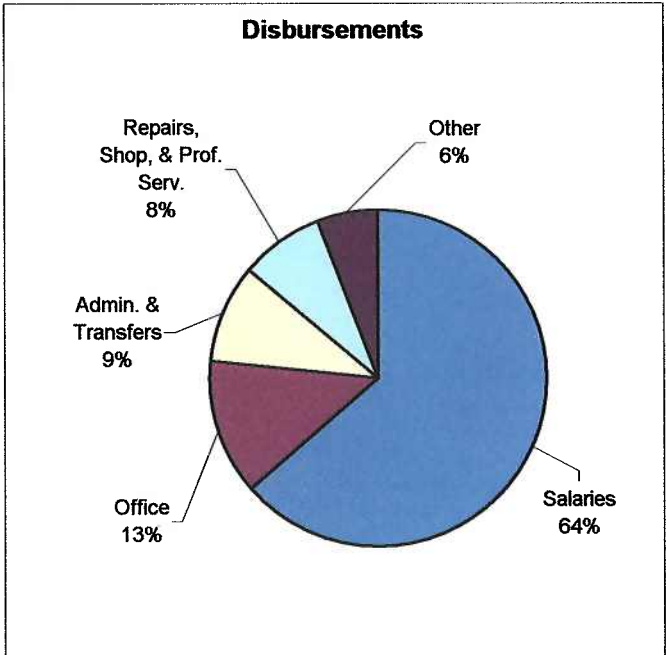
RECEIPTS:

Fees	12,907,782
Transfers In	10,327,956
Federal Revenues	2,194,165
Court Awarded Judgments	150,000
Other	62,449
Total Receipts	<u>25,642,352</u>



DISBURSEMENTS:

Salary Expense	16,075,718
Office Furniture & Equipment	3,303,292
Misc. Administrative Expenses	1,597,528
Appropriated Transfers Out	766,276
Maintenance & Repair Expense	765,111
Shop Expense	660,292
Professional Services	605,383
Rent Expense	434,571
Buildings-Purch., Constr, Renov.	336,596
Travel	205,269
General Operating Expenses	189,639
Specialized Sup & Mat. Expense	169,792
Other	139,802
Total Disbursements	<u>25,249,269</u>



RECEIPTS OVER (UNDER) DISBURSEMENTS	393,083
CASH - Beginning of year	<u>4,508,580</u>
CASH - End of year	<u><u>4,901,663</u></u>

Other Information

Clearing Account

The State Bureau of Investigation 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 \$70,275 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 State Bureau of Investigation 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 \$322,810 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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