



**STATE OF OKLAHOMA**  
**OFFICE OF THE STATE AUDITOR & INSPECTOR**

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**ANATOMICAL BOARD**

*REPORT ON AGREED-UPON PROCEDURES*

*JULY 1, 2004 THROUGH DECEMBER 31, 2005*



**JEFF A. McMAHAN, CFE**  
**OKLAHOMA STATE AUDITOR & INSPECTOR**

**Anatomical Board**  
**Agreed-upon Procedures Report**  
**For the Period**  
**July 1, 2004 through December 31, 2005**

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STATE OF OKLAHOMA  
OFFICE OF THE AUDITOR AND INSPECTOR

JEFF A. McMAHAN  
State Auditor and Inspector

April 21, 2006

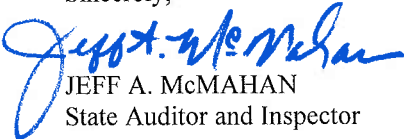
**TO THE ANATOMICAL BOARD OF THE STATE OF OKLAHOMA**

Transmitted herewith is the agreed-upon procedures report for the Anatomical Board of the State of Oklahoma. The procedures we performed were conducted pursuant to 74 O.S., §212.

The Office of the State Auditor and Inspector is committed to serving 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,

  
JEFF A. McMAHAN  
State Auditor and Inspector

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**Mission Statement**

The Anatomical Board’s mission is to acquire cadavers for teaching medical profession schools and bona fide researchers.

**Board Members**

Dr. Kyung Won Chung .....Chair  
Dr. Kent Smith ..... Member  
Dr. Dan O’Donoghue ..... Member  
Dr. Kirby Jarolim ..... Member  
Dr. Cynthia Gordon ..... Member  
Dr. Dr. Joe Grzybowski ..... Member

**Key Staff**

Pam Lawson ..... Executive Director



STATE OF OKLAHOMA  
OFFICE OF THE AUDITOR AND INSPECTOR

JEFF A. McMAHAN  
State Auditor and Inspector

**INDEPENDENT ACCOUNTANT'S REPORT  
ON APPLYING AGREED-UPON PROCEDURES**

We have performed the procedures enumerated below, which were agreed to by management of the Anatomical Board, solely to assist you in evaluating your internal controls over the receipt and disbursement process and in determining whether selected receipts and disbursements are supported by underlying records for the period July 1, 2004 through December 31, 2005. This agreed-upon procedures engagement was conducted in accordance with standards applicable to attestation engagements contained in *Government Auditing Standards* issued by the Comptroller General of the United States. The sufficiency of these procedures is solely the responsibility of the specified parties in this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

1. We compared the Anatomical Board's internal controls over receipts and disbursements with the following criteria:
  - Accounting duties were segregated by functions into those who initiate or authorize transactions; those who execute transactions; and those who have responsibility for the asset, liability, expenditure, or revenue resulting from the transaction;
  - Incoming checks were restrictively endorsed upon receipt;
  - Receipts not deposited daily were safeguarded;
  - Receipts and disbursements were reconciled to Office of State Treasurer and Office of State Finance records;
  - Disbursements were supported by an original invoice;

Due to the size of the agency, the executive director is responsible for preparing deposits, disbursements, and reconciliations. This appears to be an inadequate level of segregation of duties. If duties are not adequately segregated, errors and improprieties may occur and go undetected. We recommend the Board consider segregating the duties. With respect to the other procedures applied, there were no findings.

**Management Response:** As noted, we are a small agency with few financial transactions throughout the year. Some time ago, this issue was brought to the attention of the Board and members believed that reviewing detailed reports two or three times each fiscal year would provide adequate safeguards. However, effective immediately, we will follow your recommendation and have a second individual review and sign the monthly reconciliation report.

With respect to the other procedures applied, there were no findings.

2. We randomly selected 15 deposits and:
  - Compared the Treasurer's deposit date to agency deposit slip date to determine if dates were within one working day.
  - Agreed the total receipts per check log to the deposit slip.
  - Inspected agency receipts to determine whether the deposit was made in accordance with 62 O.S., § 7.1c.
  - Compared the fund type to which the deposit was posted in CORE to the CAFR fund type listing for consistency;
  - Compared the nature of the deposit to the account code description to determine consistency.

During our inspection of 15 deposits, one receipt in the amount of \$500.00 was not included in the receipt/check log. Therefore, the total receipts issued for the day could not be agreed with the deposit slip. If receipts are not logged for all checks received, errors or improprieties may occur and go undetected. We recommend all checks received are recorded in the check log.

**Management Response:** The individual who opens mail and logs in checks for the OUHSC Office of Educational Development and Support also opens mail and logs checks for the Anatomical Board. I assume that individual was out of the office on the day in question and a check failed to get logged into the log book by her replacement. I will ask everyone providing support for that position to be more careful about logging all checks.

With respect to the other procedures applied, there were no findings.

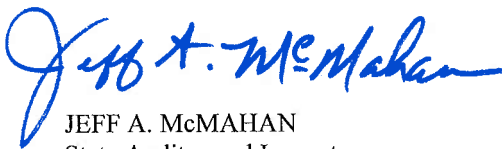
3. We randomly selected 45 vouchers and:
  - Compared the voucher amount and payee to the invoice amount and payee;
  - Compared the voucher amount and payee to the CORE system;
  - Compared the fund type to which the disbursement was charged in CORE to the CAFR fund type listing for consistency;
  - Compared the nature of the purchase to the account code description to determine consistency.

There were no findings as a result of applying the procedures.

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

We were not engaged to, and did not; conduct an examination or a review, the objective of which would be the expression of an opinion or limited assurance on the cash, receipts and disbursements for the agency. Accordingly, we do not express such an opinion or limited assurance. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of management of the Anatomical Board and should not be used for any other purpose. This report is also 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.



JEFF A. McMAHAN  
State Auditor and Inspector

April 18, 2006

## **Other Information**



**Anatomical Board**  
**Schedule of Receipts, Disbursements, and Changes in Cash**  
**For the Fiscal Year Ending June 30, 2005**

**RECEIPTS:**

Sales of Services	34,382
Contributions - Other	<u>200</u>
<b>Total Receipts</b>	<b><u>\$34,582</u></b>

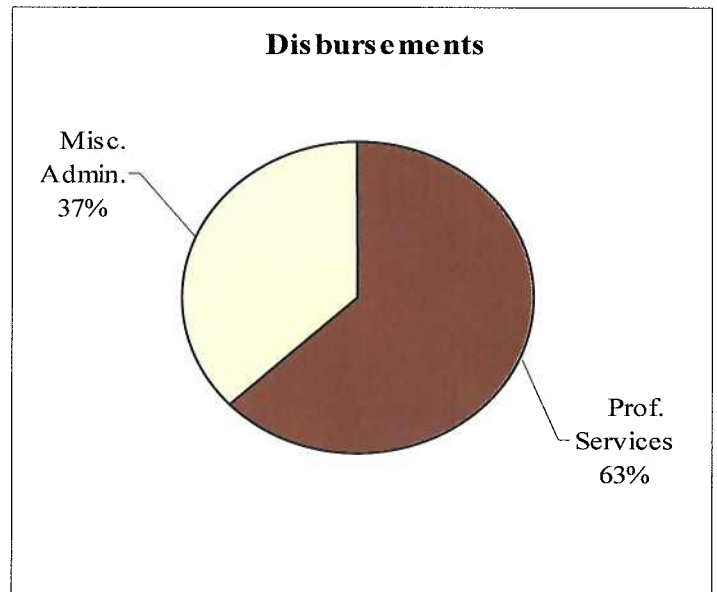
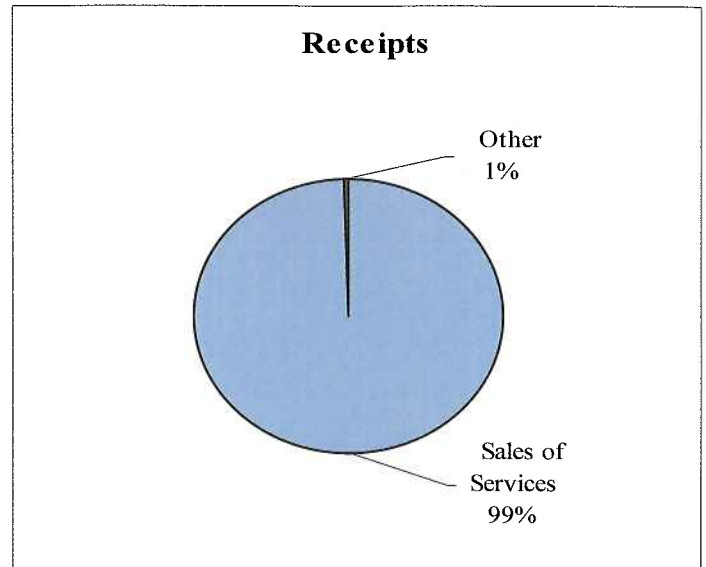
**DISBURSEMENTS:**

Professional Services	22,087
Misc. Admin.	<u>13,072</u>
<b>Total Disbursements</b>	<b><u>\$35,159</u></b>

<b>RECEIPTS OVER (UNDER) DISBURSEMENTS</b>	<b>(\$577)</b>
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<b>CASH--Beginning of Year</b>	<b><u>\$18,374</u></b>
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<b>CASH--End of Year</b>	<b><u>\$ 17,797</u></b>
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