

OPERATIONAL AUDIT

# OKLAHOMA DEPARTMENT OF CAREER AND TECHNOLOGY EDUCATION

For the period July 1, 2011 through June 30, 2012

A photograph of the Oklahoma State Capitol dome, showing the top portion of the building with its columns and the dome's structure against a blue sky with white clouds.

*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 Department of  
Career and Technology Education**

**For the Period  
July 1, 2011 through June 30, 2012**



# Oklahoma State Auditor & Inspector

2300 N. Lincoln Blvd. • State Capitol, Room 100 • Oklahoma City, OK 73105 • Phone: 405.521.3495 • Fax: 405.521.3426

February 6, 2013

**TO THE BOARD OF THE OKLAHOMA DEPARTMENT  
OF CAREER AND TECHNOLOGY EDUCATION**

This is the audit report of the Oklahoma Department of Career and Technology Education for the period July 1, 2011 through June 30, 2012. 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.

Sincerely,

A handwritten signature in blue ink, appearing to read "Gary A. Jones".

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

**Oklahoma Department of Career  
and Technology Education  
Operational Audit**

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**Background**

The Department of Career and Technology Education (Agency) provides leadership and resources, and assures standards of excellence, for a comprehensive statewide system of career and technology education. The system offers programs and services in 29 technology center districts operating on 57 campuses, nearly 400 school districts, and 16 skill centers (designed to train incarcerated adult and juvenile offenders with applicable job skills).

The Agency pays for its operations primarily through state appropriations and federal funds.

Oversight is provided by a nine-member board including the state superintendent of public instruction, who serves as chairperson, two members of the State Board of Education, a representative from each congressional district, one member at large, and the state director of Career and Technology Education who serves as an ex officio, non-voting member. The two members of the State Board of Education are selected by the governor, and the congressional district representatives and member at large are appointed by the governor, with the consent of the Senate. The appointed members serve a term of six years.

Board members are:

Janet Barresi .....	Superintendent of Public Instruction and Chairperson of the Board
Phil Berkenbile, Ed.D. ....	State Director and ex officio nonvoting member and Executive Officer of the Board
Leo J. Baxter .....	State Board of Education Member
Amy Ford .....	State Board of Education Member
H.C. "Will" Williams .....	Member
Karl Meyers .....	Member
Harold Anglin .....	Member
Marilyn Harrel .....	Member
Randy Gilbert .....	Member
Dale Nye .....	Member

**Purpose, Scope, and  
Sample Methodology**

This audit was conducted in response to the Agency's request and 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.

The audit period covered was July 1, 2011 through June 30, 2012.

Sample methodologies can vary and are selected based on the audit objective and whether the total population data was available. Random sampling is the preferred method; however, we may also use haphazard sampling (a methodology that produces a representative selection for non-statistical sampling), or judgmental selection when data limitation prevents the use of the other two methods. We selected our samples in such a way that whenever possible, the samples are representative of the populations and provide sufficient

# Oklahoma Department of Career and Technology Education Operational Audit

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evidential matter. We identified specific attributes for testing each of the samples. When appropriate, we projected our results to that population.

We conducted this performance 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 findings and conclusions based on our audit objectives. 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.

## Objective 1 – Determine whether the materials (MAVCC<sup>1</sup>, CIMC<sup>2</sup>, and Print Shop) and office supplies inventory were properly safeguarded and accounted for.

**Conclusion** With respect to the items tested, it appears materials inventories (including MAVCC, CIMC, print shop and office supplies) were properly safeguarded and accounted for.

**Methodology** To accomplish our objective, we performed the following:

- Obtained an understanding of the Agency’s inventory counting procedures.
- Physically inspected the location of the inventory to ensure it was properly safeguarded.
- Agreed 38 items from the CIMC inventory report, eight items from the MAVCC inventory report, 12 items from the print shop inventory report, and four items from the office supplies inventory report to the floor to ensure the correct quantities were recorded (items were judgmentally selected).
- Agreed 39 items from the CIMC floor, eight items from the MAVCC floor, 12 items from the print shop floor, and three items from the office supplies floor to the applicable inventory reports to ensure the correct quantities were recorded (items were judgmentally selected).
- Reviewed adjusting entries to inventory reports for variances noted during physical count procedures to ensure accounting records were properly modified.

There were no exceptions as a result of these procedures.

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<sup>1</sup> MAVCC is an acronym for Multistate Academic and Vocational Curriculum Consortium. The Agency stores materials produced by MAVCC.

<sup>2</sup> CIMC is an acronym for Curriculum and Instructional Materials Center. CIMC develops quality competency-based instructional products and services for career and technology education.



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