STATUTORY REPORT

District Attorney, District 7

Bogus Check Restitution Fund,
Restitution and Diversion Fund and
District Attorney Supervision Fee Fund

For the year ended June 30, 2010

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
DAVID PRATER, DISTRICT ATTORNEY
DISTRICT 7
STATUTORY REPORT
BOGUS CHECK RESTITUTION FUND
RESTITUTION AND DIVERSION FUND AND
DISTRICT ATTORNEY SUPERVISION FEE FUND
FOR THE YEAR ENDED
JUNE 30, 2010
July 18, 2011

David Prater, District Attorney
District 7
Oklahoma County Courthouse
Oklahoma City, Oklahoma 73102

Transmitted herewith is the statutory report for the District Attorney of District 7, Oklahoma County, Oklahoma (the District) for the fiscal year ended June 30, 2010.

A report of this type is critical in nature; however, we do not intend to imply that there were not commendable features in the present accounting and operating procedures of the District.

We wish to take this opportunity to express our appreciation for the assistance and cooperation extended to our office during the conduct of our procedures.

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

Sincerely,

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

BOGUS CHECK PROGRAM

The bogus check program was created by the Oklahoma Legislature in 1982 as a special type of deferred prosecution program and every district attorney is required to operate a bogus check program. The program provides an alternative way to handle bogus check cases without any additional cost to courts, prosecutors, or the state prison system. The primary emphasis of the program is collecting restitution for the victim of the crime, rather than punishing the offender.

Bogus checks are a significant cost to business, a cost that is passed on to the consumer and paid by all citizens and taxpayers in the state. The bogus check program has been an effective way to address the economic problem caused by bogus checks. The program offers a way to address criminal conduct without sending a large number of offenders to state correctional facilities.

RESTITUTION AND DIVERSION PROGRAM

The restitution and diversion program was created by the Oklahoma Legislature in 2001 as a special type of deferred prosecution program. The legislation required that each district attorney create such a program. The purpose of the program is to allow the district attorney the discretion to divert criminal complaints involving property crimes from criminal court and to collect restitution for victims.

The program allows the district attorney’s office to receive, disburse, and monitor victim restitution payments. The program offers an alternative way to address criminal conduct.

DISTRICT ATTORNEY SUPERVISION PROGRAM

The district attorney supervision program was created by the Oklahoma Legislature in 2005 as an alternative from supervision by the Department of Corrections. When the court imposes a deferred or a suspended sentence for any offense and does not order supervision by the Department of Corrections, the offender shall be required to pay the district attorney a monthly supervision fee. However, the legislation provides that in hardship cases, the district attorney shall expressly waive all or part of the fee.
Statutory Report

David Prater, District Attorney
District 7
Oklahoma County Courthouse
Oklahoma City, Oklahoma 73102

For the purpose of complying with 74 O.S. § 212.E and 22 O.S. §§ 114, 991d, and 991.f-1.1, we have performed the following procedures as they relate to the records of the Bogus Check Restitution Fund, Restitution and Diversion Fund, and the District Attorney Supervision Fee Fund for the fiscal year June 30, 2010.

- Examine fees to determine that the correct fees were assessed, receipted, and deposited in compliance with 28 O.S. § 153, 22 O.S. § 991d, and 19 O.S. § 215.11.
- Determine whether expenditures were used to defray expenses of the District Attorney’s office, whether expenditures were supported by original invoices and approved claims, and that goods or services paid for were received.
- Determine restitution agreements do not exceed three years in accordance with 22 O.S. §§ 114 and 991.f-1.1.
- Determine whether the funds reconcile to the County Treasurer’s records.
- Determine that the District Attorney prepared and submitted annual reports to the District Attorneys Council showing the total deposits and total expenditures for the Bogus Check Restitution Fund and the Restitution and Diversion Fund, and that expenditures were properly classified and presented.

All information included in the financial records of the bogus check restitution program, restitution and diversion program, and district attorney supervision fee program are the representation of the District Attorney for their respective district.

Our engagement was limited to the procedures performed above and was less in scope than an audit performed in accordance with auditing standards generally accepted in the United States of America. Accordingly, we do not express an opinion on any general-purpose financial statements of Oklahoma County.

Based on our procedures performed, we have presented our findings in the accompanying schedule.
This report is intended for the information and use of the District Attorney and Oklahoma County officials. However, this report is a matter of public record and its distribution is not limited.

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

July 13, 2011
SCHEDULE OF FINDINGS AND RESPONSES

Finding 2010-1—DAC Annual Report-Restitution and Diversion Program

Criteria: Title 22 O. S. § 991f-1.1H.1 states:
   District attorneys shall prepare and submit an annual report to the District Attorneys Council showing total deposits and total expenditures in the Restitution and Diversion Program.

Condition: During our audit we determined that the annual report for Restitution and Diversion Program was not prepared and submitted to the District Attorneys Council.

Effect: This condition resulted in a violation of the Oklahoma State Statute.

Recommendation: OSAI recommends management prepare and submit an annual report the District Attorneys Council for the Restitution and Diversion Program.

Views of responsible officials and planned corrective actions: This letter shall serve as the official response of this agency to the sole finding of the recent audit of the District Attorney’s Restitution and Diversion Program which serves as an alternative to felony conviction and/or incarceration for certain non-violent offenders. Your audit noted that no year-end report was submitted to the District Attorney’s Council for the period ending June 30, 2010, as required by Title 22 Section 991F-(1)(h). This program was launched January 1, 2010, and thus there was comparatively little reportable activity for that first six month period. Nonetheless, a report should have been submitted and failure to do so was an oversight on our part. We have taken steps to see that a year-end report is submitted for the current reporting period and for all future years.