

**THOMAS H. MAY
DISTRICT ATTORNEY, DISTRICT 13
STATUTORY REPORT
BOGUS CHECK RESTITUTION FUND
FOR THE YEAR ENDED
JUNE 30, 2002**

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STATE OF OKLAHOMA
OFFICE OF THE AUDITOR AND INSPECTOR

JEFF A. McMAHAN
State Auditor and Inspector

September 4, 2003

Thomas H. May, District Attorney
District 13

Transmitted herewith is the statutory report for the District Attorney of District 13, Ottawa and Delaware Counties, Oklahoma, (the District) for the fiscal year ended June 30, 2002.

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,

A handwritten signature in cursive script that reads "Jeff A. McMahan".

JEFF A. McMAHAN
State Auditor and Inspector

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INTRODUCTORY INFORMATION

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.



STATE OF OKLAHOMA
OFFICE OF THE AUDITOR AND INSPECTOR

JEFF A. McMAHAN
State Auditor and Inspector

Statutory Report

Thomas H. May
District Attorney, District 13
Ottawa County Courthouse
Miami, Oklahoma 74354

For the purpose of complying with 74 O.S. § 212 (E) and 22 O.S. § 114, we have performed the following procedures as they relate to the records of the Bogus Check Restitution Fund for the fiscal year ended June 30, 2002.

- We examined fees to determine that the correct fees were assessed, receipted, and deposited in compliance with 28 O.S. § 153.
- We attempted to determine whether expenditures were used to defray lawful expenses of the District Attorney's office in accordance with 22 O.S. § 114; whether expenditures were supported by invoices and approved claims; and that goods or services paid for were received.
- We reconciled the fund to the County Treasurer's records.
- We determined that the District Attorney prepared and submitted an annual report to the District Attorney's Council.

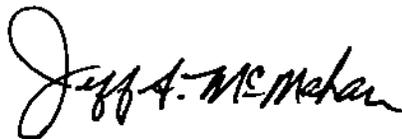
All information included in the financial records of the bogus check restitution program is the representation of the District Attorney for their respective district.

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 Ottawa County or Delaware County.

Based on our procedures performed, the correct fees were assessed, receipted and deposited; the fund balance reconciles to the County Treasurer's records; and the District Attorney prepared and submitted an annual report to the District Attorney's Council. Our finding concerning expenditures is presented in the attached Schedule of Findings and Recommendations.

This report is intended for the information and use of the District Attorney and Ottawa County and Delaware County officials. However, this report is a matter of public record and its distribution is not limited.

Sincerely,

A handwritten signature in black ink that reads "Jeff A. McMahar". The signature is written in a cursive style with a large initial "J" and "M".

JEFF A. McMAHAN
State Auditor and Inspector

March 12, 2003

THOMAS H. MAY
DISTRICT ATTORNEY, DISTRICT 13
SCHEDULE OF FINDINGS AND RECOMMENDATIONS
JUNE 30, 2002

Finding 2002-1 Missing Records

Criteria: Good accounting procedures are necessary to ensure stewardship and accountability of public funds. Further, 21 O.S. § 590 requires state governmental entities to "maintain accurate and complete records, ... reflecting all financial and business transactions, which records shall include support documentation for each transaction. No such records shall be disposed of for three (3) years thereafter."

Condition: All claims, invoices, and receiving reports were missing for fiscal year 2002, therefore, we were unable to determine that expenditures were supported by an approved claim, original invoice and verification of goods received due to missing documents. Furthermore, we were unable to determine that bogus check restitution fund expenditures were used to defray the expense of the bogus check restitution program in accordance with 22 O.S. § 114.

Effect: This condition results in noncompliance with state statutes and could result in misappropriation of assets.

Recommendation: All records should be retained for the period of time set forth in the Oklahoma Statutes.