

**TIM HARRIS  
DISTRICT ATTORNEY, DISTRICT 14  
STATUTORY REPORT  
BOGUS CHECK RESTITUTION FUND  
FOR THE YEAR ENDED  
JUNE 30, 2005**

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STATE OF OKLAHOMA  
OFFICE OF THE AUDITOR AND INSPECTOR

JEFF A. McMAHAN  
State Auditor and Inspector

April 12, 2007

Tim Harris, District Attorney  
District 14

Transmitted herewith is the statutory report for the District Attorney of District 14, Tulsa County, Oklahoma, for the fiscal year ended June 30, 2005.

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 black ink 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**

Mr. Tim Harris  
District Attorney, District 14  
Tulsa County Courthouse  
Tulsa, Oklahoma 74103

For the purpose of complying with 74 O.S. § 212 (E) and 22 O.S. § 114, we have performed each of the following procedures as they relate to the records of the Bogus Check Restitution Fund for the fiscal year June 30, 2005.

- Examine fees to determine that the correct fees were assessed, receipted, and deposited in compliance with 28 O.S. § 153.
- 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.
- Determine whether the fund reconciles to the County Treasurer's records.
- Determine that the District Attorney prepared and submitted an annual report to the District Attorney's Council showing the total deposits and total expenditures and that expenditures were properly classified and presented.

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

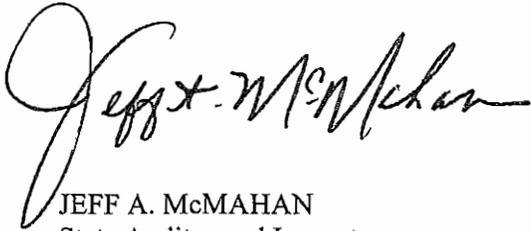
Our engagement was limited to the procedures performed above and was less in scope than an audit performed in accordance with auditing standards generally accepted in the United States of America. Accordingly, we do not express an opinion on any general purpose financial statements of Tulsa County.

Based on our procedures performed; District 14 is properly assessing, receipting, and depositing the correct fees in compliance with 28 O.S. § 153; expenditures were used to defray lawful expenses of the District Attorney's office in accordance with 22 O.S. § 114; expenditures were supported by invoices and approved claims; the fund balance reconciles to the County Treasurer's records; the District Attorney is preparing and submitting an annual report to the District Attorney's Council; and expenditures are properly classified and presented. With respect to goods or services paid for being received, our finding is included in the schedule of findings and recommendations;

We have prepared a detailed analysis of the Bogus Check Restitution Fund, which is presented following this report.

This report is intended for the information and use of the District Attorney and Tulsa 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. McMAHAN". The signature is written in a cursive style with a large initial "J" and a long horizontal stroke at the end.

JEFF A. McMAHAN  
State Auditor and Inspector

March 26, 2007

**BOGUS CHECK RESTITUTION FUND ANALYSIS**

**COLLECTION INFORMATION**

Number of checks received from merchants	<u>21,755</u>	
Dollar amount of checks received		<u>\$ 2,768,519</u>

**RESTITUTION INFORMATION**

Beginning Restitution Account Balance at July 1, 2004		\$ 216,883
Number of restitution checks collected	<u>13,251</u>	
Amount in restitution collected for merchants		1,524,344
Cancelled vouchers		5,020
Amount in restitution paid to merchants		<u>1,539,065</u>
Ending Restitution Balance at June 30, 2005		<u>\$ 207,182</u>

**FEE AND EXPENDITURES INFORMATION**

Beginning District Attorney fee balance at July 1, 2004		\$ 306,803
Amount of District Attorney fees collected during the period		1,416,610
Expenditures:		
Personnel costs	1,136,015	
Maintenance and operations costs	193,560	
Travel expenses	-	
Other expenses (capital outlay)	<u>133,688</u>	
Total Expenditures		<u>1,463,263</u>
Ending District Attorney fee balance at June 30, 2005		<u>\$ 260,150</u>

**SCHEDULE OF FINDINGS AND RECOMMENDATIONS**

**Finding – 2005-1**

Criteria: Title 19 O.S. § 1501 and 1503 includes that upon the receipt of goods or service a receiving report is to be signed by a designated receiving officer.

Condition: From test work performed, we noted two (2) instances out of twenty-five (25) sampled purchase orders that did not have a receiving report signed by the proper receiving officer.

Effect: The County may be in violation of state statutes.

Recommendation: We recommend that all applicable purchases be supported by receiving documentation and be signed by a designated receiving officer as required by 19 O.S. § 1501 and 1503.

Views of responsible officials and planned corrective actions: It is our policy for the receiving officer to always sign purchase orders where product is ordered and received. However, purchase orders for office supplies were not signed because the purchase orders were issued to the Tulsa County Administrative Services. The purchase orders were issued to reimburse the County for acquiring and delivering the office supplies. Since we were reimbursing the County, the receiving officer was not asked to sign the purchase orders. Our policy changed in July 2007. All purchase orders ordering, receiving and/or reimbursing for products are now signed by the receiving officer.