

**J.M. DAVIS MEMORIAL COMMISSION  
INTERNAL CONTROL REPORT  
FOR THE FISCAL YEAR ENDED  
JUNE 30, 2003**

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STATE OF OKLAHOMA  
OFFICE OF THE AUDITOR AND INSPECTOR

JEFF A. McMAHAN  
State Auditor and Inspector

July 13, 2004

**TO THE HONORABLE BRAD HENRY  
GOVERNOR OF THE STATE OF OKLAHOMA**

Transmitted herewith is the J.M. Davis Memorial Commission Internal Control Report for the fiscal year ended June 30, 2003. By its nature, this report focuses on weaknesses in controls. This focus should not be understood to mean there are not also various strengths and accomplishments.

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

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 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. McMahon".

JEFF A. McMAHAN  
State Auditor and Inspector

**J.M. DAVIS MEMORIAL COMMISSION  
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**COMMISSION MEMBERS**

<u>Name</u>		<u>Term Expires</u>
Dr. James Marr	Chairman	August 1, 2005
Fred H. Miller	Vice-Chairman	August 1, 2005
Bob Brown	Member	August 1, 2005
Christopher R. Ford	Member	August 1, 2005
Chris Sutherland	Member	August 1, 2005

**ADMINISTRATIVE STAFF**

Duane Kyler	Executive Director	09-04-01 to current
Dennis H. Duvall	Curator II	06-01-93 to 06-30-03
Randy Maggard	Maintenance Repair Tech III	12-11-89 to current
Linda C. Slatton	Account Clerk III	03-01-00 to current
Susan Thompson	Gift Shop Coordinator	07-01-02 to current
Kimberly T. Thompson	Account Clerk I	07-05-01 to current
Fred E. LeGates	Custodial Worker II	05-01-00 to 6-30-03



STATE OF OKLAHOMA  
OFFICE OF THE AUDITOR AND INSPECTOR

JEFF A. McMAHAN  
State Auditor and Inspector

**TO THE J.M. DAVIS MEMORIAL COMMISSION**

We have inquired of Commission personnel and observed documentation regarding the following processes for the period July 1, 2002 through June 30, 2003:

1. Cash/Revenue
2. Capital Assets
3. Expenditures, including payroll
4. Purchasing
5. Consumable Inventory

The purpose of these procedures was to identify the internal controls designed or developed by the J.M. Davis Memorial Commission, and to determine whether stated controls were operating as represented to us or if additional controls were necessary to reduce the risk of errors and irregularities.

Our procedures were more limited than would be necessary to express an opinion on any of the items referred to above or to express an opinion on the effectiveness of the Commission's internal control or any part thereof. Accordingly, we do not express such opinions. Alternatively, we have identified the procedures we performed and the findings resulting from those procedures. Had we performed additional procedures or had we made an audit of the effectiveness of the Commission's internal control, other matters might have come to our attention that would have been reported to you.

Our finding resulting from the above procedures are included in the attached comments and recommendations section of this report.

Sincerely,

A handwritten signature in black ink that reads "Jeff A. McMahan".

JEFF A. McMAHAN  
State Auditor and Inspector

July 13, 2004

**COMMENTS AND RECOMMENDATIONS**

**Comment 2003-204-001**

**Criteria:** According Central Purchasing Rule 580:15-6-5-1A:

Mandatory statewide contract. The State Purchasing Director may designate a statewide contract for mandatory use. State agencies shall make acquisitions from mandatory statewide contracts regardless of the acquisition purchase price. A state agency may submit a written request to the State Purchasing Director to waive requirements for a state agency's use of a mandatory statewide contract for acquisitions. The State Purchasing Director shall grant exceptions prior to a state agency making the acquisition from another supplier.

**Condition:** The Commission is purchasing fuel for its vehicle using two separate credit cards. Neither card is under state contract, nor has the Commission submitted a written request for this requirement to be waived.

The state is currently contracting with "Fuelman" for its motor fuel purchases.

**Effect:** The Commission may not be in compliance with the Oklahoma Constitution Article 10§15A or the Central Purchasing Rule 580:15-6-5-1A.

**Recommendation:** We recommend the Commission obtain a credit card under state contract or submit a written request for this requirement to be waived.

**Management's Corrective Action Plan**

**Contact Person:** Duane Kyler

**Anticipated Completion Date:** July 1, 2004

**Corrective Action Planned:** The J.M. Davis memorial Commission will obtain a "Fuelman" Card.