



OKLAHOMA STATE BOARD OF EXAMINERS FOR LONG TERM CARE ADMINISTRATORS

Operational Audit

For the Period July 1, 2014 through December 31, 2020

Cindy Byrd, CPA
State Auditor & Inspector

**Audit Report of the
Oklahoma State Board of Examiners for Long Term Care
Administrators**

**For the Period
July 1, 2014 through December 31, 2020**



Cindy Byrd, CPA | State Auditor & Inspector

2300 N. Lincoln Blvd., Room 123, Oklahoma City, OK 73105 | 405.521.3495 | www.sai.ok.gov

June 11, 2021

TO THE OKLAHOMA STATE BOARD OF EXAMINERS FOR LONG TERM CARE ADMINISTRATORS

We present the audit report of the Oklahoma State Board of Examiners for Long Term Care Administrators for the period of July 1, 2014 through December 31, 2020. 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.

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.

Sincerely,

A handwritten signature in blue ink that reads "Cindy Byrd".

CINDY BYRD, CPA
OKLAHOMA STATE AUDITOR & INSPECTOR



**Oklahoma State Board of Examiners for Long Term Care Administrators
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Background

The Oklahoma State Board of Examiners for Long Term Care Administrators (the Agency) was established by the 1968 Oklahoma Legislature with revisions being made by the 1973 legislature. Principal duties of the board are licensing of long term care administrators and approval of continuing education programs.

Oversight is provided by fifteen board members (the Board). Eight members are representatives of the professions and institutions of long-term care. Four represent the general public, of which at least two are licensed medical professionals concerned with the care and treatment of critically ill or infirm elderly patients. These twelve board members are appointed by the governor for three-year terms. The final three members represent the State Commissioner of Health, the Director of the Department of Human Services, and the Director of the Department of Mental Health and Substance Abuse Services.

Board members as of May 2021 are:

- Jacki Millspaugh..... Chair
- Dr. Keith Swanson Vice-Chair
- Nancy Poteete..... Secretary/Treasurer
- Dr. Susan Barnes Rules/Legislative Committee Chair
- Tony FullBright Personnel Committee Chair
- Susan Smith Education Committee Chair
- Collin Coburn..... Member
- Tracy Copp..... Member
- Dr. Thomas Essex..... Member
- Diane L. Henry Member
- Lisa Pever Member
- Alan Phillips Member
- Nathan Raith..... Member
- Jonna Warrick..... Member
- Elizabeth Skulski..... Member

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The following table summarizes the Agency's sources and uses of funds for fiscal years 2019 and 2020 (July 1, 2018 through June 30, 2020).

Sources and Uses of Funds for FY 2019 and FY 2020

	2019	2020
Sources:		
Registration Fees	\$ 217,416	\$ 204,971
Licenses, Permits, Fees	170,215	158,625
Fines, Forfeits, Penalties	13,398	4,200
Credit Card Convenience Fee	6,931	6,878
Other Revenues	2,566	5,775
Total Sources	\$ 410,526	\$ 380,449
Uses:		
Personnel Services	\$ 239,451	\$ 248,846
Professional Services	114,765	120,786
Administrative Expenses	49,675	48,674
Travel	3,330	4,935
Other Expenses	360	1,540
Total Uses	\$ 407,581	\$ 424,781

Source: Oklahoma statewide accounting system (unaudited, for informational purposes only)

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Scope and Methodology

Our audit was conducted in response to 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.

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 objective.

In planning and conducting our audit, we focused on the major financial-related areas of operations based on assessment of materiality and risk for the period July 1, 2014 through December 31, 2020. To assess risk and develop our audit objective, we held discussions with management and performed data analysis and prior audit follow-up. These procedures included:

- Reviewing revenue and expenditure data from the Statewide Accounting System and gathering information from Agency personnel to assess the related financial processes and trends for any notable risks
- Reviewing inventory reports for changes and high appeal items
- Analyzing top vendors and expenditures by dollar amount and reviewing a selection of expenditure documentation in detail
- Reviewing the Agency's HR All Actions Report from the Statewide Accounting System to assess personnel changes that had a financial impact during the audit period
- Reviewing statutes and administrative code pertaining to the Agency

One objective related to funds transfers was developed, as discussed in the next section. No other significant risks or findings were identified as a result of these procedures.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, errors or fraud may occur and not be detected. Also, projections of any evaluation of internal control to future periods are subject to the risk that conditions may change or compliance with policies and procedures may deteriorate.

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OBJECTIVE

Determine whether 10% of licensure revenue was transferred to the state's general revenue fund as required by statute 62 O.S. § 211.

Conclusion

We determined that 10% of licensure revenue was transferred to the state's general revenue fund as required by statute 62 O.S. § 211.

To accomplish our objectives, we performed the following:

- Obtained records of the Agency's audit period deposits and transfers from the Statewide Accounting System and performed a calculation to ensure that 10% of fees charged, collected, and received by the Agency was transferred as required by 62 O.S. § 211
- Verified the timing of each transfer during our audit period to ensure transfers were made monthly as required by statute

No findings were identified as a result of these procedures.

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