

**OKLAHOMA BOARD OF NURSING
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

June 3, 2004

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

Transmitted herewith is the Oklahoma Nursing Board 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

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**OKLAHOMA BOARD OF NURSING
INTERNAL CONTROL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2003**

BOARD MEMBERS

| <u>Name</u> | | <u>Term Expires</u> |
|--|---------------------|------------------------------|
| Ms. Sandra Bazemore, MSN, RN, | President | May 31, 2004 |
| Ms. Sue Mitchell, RN | Vice-President | May 31, 2005 |
| Ms. Cynthia Foust, Ph.D., RN | Secretary-Treasurer | May 31, 2006 |
| Ms. Audrey Baugh, LPN | Member | May 31, 2003 |
| Ms. Deborah Booton-Hiser, Ph.D., R.N., ARNP | Member | May 31, 2006 |
| Ms. Karen Fletcher, RN | Member | May 31, 2003 |
| Ms. Teresa Frazier, MS, RN | Member | May 31, 2007 |
| Ms. Brenda Scarborough, LPN | Member | May 31, 2002 |
| Ms. Heather Sharp, LPN | Member | May 31, 2006 |
| Ms. Lee Kirk | Public Member | Coterminously w/ Governor |
| Ms. Bobbye J. Treadwell | Public Member | Coterminously w/ Governor |

**ADMINISTRATIVE
STAFF**

Ms. Kim Glazier, M.Ed.,
R.N.
Executive Director

Ms. Darlene McCulloch, CPM
Business Manager II

Ms. Sheryl Adams
Accounting Technician III



STATE OF OKLAHOMA
OFFICE OF THE AUDITOR AND INSPECTOR

JEFF A. McMAHAN
State Auditor and Inspector

TO THE OKLAHOMA BOARD OF NURSING

We have applied the procedures enumerated below to certain aspects of internal control for the period July 1, 2002 through June 30, 2003.

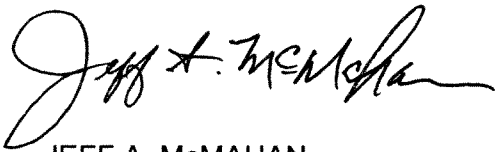
1. We reviewed management's internal controls over financial records and operations, and performed a walk-through of controls to determine whether they have been designed as represented by management. We reviewed controls in the following specific areas:
 - a. Cash receipting and depositing of funds.
 - b. Fixed Assets.
 - c. Recording of cash receipts, disbursement of funds, and reconciliation of funds.
 - d. Segregation of duties regarding authorization, recording, and custody.
2. We reviewed procedures for remitting required portions of fees to the State of Oklahoma and tested a sample of remittances for adherence to these procedures.
3. We reviewed the Agency's policies and procedures and tested compliance with such policies and procedures in the following specific areas:
 - a. Agency's compliance with policies and procedures regarding budgetary matters.
 - b. Agency's compliance with policies and procedures regarding personnel and payroll issues such as attendance record keeping, compensation increases, and annual evaluations.

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The purpose of these procedures was to identify the internal controls designed or developed by the Oklahoma Board of Nursing, make recommendations in certain areas, and 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 Agency's internal control or any part thereof. Accordingly, we do not express such opinions. Alternatively, we have identified the procedures we performed and there were no findings resulting from those procedures. Had we performed additional procedures or made an audit of the effectiveness of the Agency's internal control, other matters might have come to our attention that would have been reported to you.

Sincerely,



JEFF A. McMAHAN
State Auditor and Inspector

April 28, 2004