

OKLAHOMA HUMAN RIGHTS COMMISSION

FOR THE PERIOD
JANUARY 1, 2006 THROUGH
JUNE 30, 2008

OPERATIONAL AUDIT



Oklahoma State Auditor
& Inspector

**Audit Report of the
Oklahoma Human Rights Commission**

**For the Period
January 1, 2006 through June 30, 2008**

STATE AUDITOR AND INSPECTOR

STEVE BURRAGE, CPA
State Auditor

MICHELLE R. DAY, ESQ.
Chief Deputy



2300 N. Lincoln Boulevard State Capitol, Room 100 Oklahoma City, OK 73105-4801 Phone (405) 521-3495 Fax (405) 521-3426 www.sai.ok.gov

January 15, 2009

TO THE OKLAHOMA HUMAN RIGHTS COMMISSION

Pursuant to 74 O.S. § 212, transmitted herewith is the audit report for the Oklahoma Human Rights Commission for the period January 1, 2006 through June 30, 2008. 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. Our goal is to ensure a government that is accountable to the people of the State of Oklahoma.

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

Sincerely,

A blue ink signature of Steve Burrage, written in a cursive style.

STEVE BURRAGE, CPA
STATE AUDITOR & INSPECTOR

A blue ink signature of Michelle R. Day, written in a cursive style.

MICHELLE R. DAY, ESQ.
DEPUTY STATE AUDITOR & INSPECTOR

Mission Statement

The Oklahoma Human Rights Commission works to enforce Oklahoma's Anti-Discrimination Act which prohibits discrimination of employment, housing, and public accommodation; accept, serve, and report on complaints of racial profiling, and promote unity and understanding through educational outreach for Oklahoma.

Commission Members

Stan Evans	Chair
Mari Fagin.	Member
Elvia Hernandez	Member
Neil McElderry, Jr.	Member
Teresa Rendon	Member
Sammie Vasquez, Sr.	Member
Juanita Williams	Member
Vacant.....	Member
Vacant.....	Member

Key Staff

Ken Kendricks	Executive Director
Cynthia Booker.....	Executive Assistant
Quan Dang-Ngoc	Administrative Assistant

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TO THE OKLAHOMA HUMAN RIGHTS COMMISSION

We have audited the Oklahoma Human Rights Commission (the agency) for the period January 1, 2006 through June 30, 2008. The objective of this audit was to determine if:

- The agency's internal controls provide reasonable assurance that expenditures were accurately reported in the accounting records.

As part of our audit, we obtained an understanding of internal controls significant to the audit objectives and considered whether the specific controls have been properly designed and placed in operation. We also performed tests of certain controls to obtain evidence regarding the effectiveness of the design and operation of the controls. However, providing an opinion on internal controls was not an objective of our audit and accordingly, we do not express such an opinion.

We also obtained an understanding of the laws and regulations significant to the audit objectives and assessed the risk that illegal acts, including fraud, violation of contracts, grant agreements, or other legal provisions could occur. Based on this risk assessment, we designed and performed procedures to provide reasonable assurance of detecting significant instances of noncompliance with the laws and regulations. However, providing an opinion on compliance with these laws and regulations was not an objective of our audit and accordingly, we do not express such an opinion.

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 objectives.

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.


STEVE BURRAGE, CPA
STATE AUDITOR & INSPECTOR


MICHELLE R. DAY, ESQ.
DEPUTY STATE AUDITOR & INSPECTOR

January 6, 2009

Oklahoma Human Rights Commission Operational Audit

Background

The Oklahoma Human Rights Commission (the agency) was established by the Legislature to work toward removing friction, eliminating discrimination, and promoting unity and understanding among all the people of Oklahoma.

The agency's operations are governed by 74 O.S. § 951 through 955 as well as Title 335 of the Oklahoma Administrative Code.

Oversight is provided by a nine member Commission appointed by the Governor with the advice and consent of the Senate. The Commissioners serve a term of three years. The agency pays for its operations primarily through state appropriations and federal funds.

Table 1 summarizes the agency's sources and uses of funds for fiscal years 2006, 2007, and 2008.

	2006	2007	2008
Table 1-Sources and Uses of Funds for FY 2006, FY 2007 and FY 2008			
Sources:			
Appropriations	\$673,372	\$703,021	\$710,135
Federal Grants-In-Aid	368,811	302,309	353,768
Other	939	28	89
Total Sources	<u>\$1,043,122</u>	<u>\$1,005,358</u>	<u>\$1,063,992</u>
Uses:			
Personnel Services	\$851,461	\$859,162	\$831,138
Professional Services	10,171	18,205	29,479
Travel	43,351	79,126	51,718
Miscellaneous Administrative	52,462	50,483	47,398
Rent Expense	39,584	36,576	39,756
Other	54,221	21,122	27,265
Total Uses	<u>\$1,051,250</u>	<u>\$1,064,674</u>	<u>\$1,026,754</u>

Source: Oklahoma CORE Accounting System (unaudited; for informational purposes only)

Objective 1 - Determine if the agency's internal controls provide reasonable assurance that expenditures were accurately reported in the accounting records.

Conclusion

The agency's internal controls provide reasonable assurance that expenditures were accurately reported in the accounting records.

Methodology

To accomplish our objective, we performed the following:

- Documented internal controls related to the expenditure process;
- Tested controls which included:
 - Ensuring the expenditure approval function is independent of the posting function;
 - Ensuring the person who receives the warrants is independent of the expenditure posting function;
 - Reviewing a random sample of 60 expenditure claims to ensure they were properly authorized. This included ensuring the invoice supported the payment, the invoice was mathematically accurate, the correct account code was used, and the expenditure was reasonable for the agency's mission.



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