

OPERATIONAL AUDIT

OKLAHOMA SCHOOL OF SCIENCE AND MATHEMATICS

For the period July 1, 2011 through June 30, 2013



*Independently serving the citizens of
Oklahoma by promoting the
accountability and fiscal integrity of
governmental funds.*



Oklahoma State
Auditor & Inspector
Gary A. Jones, CPA, CFE

**Audit Report of the
Oklahoma School of Science and Mathematics**

**For the Period
July 1, 2011 through June 30, 2013**



Oklahoma State Auditor & Inspector

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November 26, 2013

TO THE OKLAHOMA SCHOOL OF SCIENCE AND MATHEMATICS

This is the audit report of the Oklahoma School of Science and Mathematics for the period July 1, 2011 through June 30, 2013. 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 "Gary A. Jones".

GARY A. JONES, CPA, CFE
OKLAHOMA STATE AUDITOR & INSPECTOR

Oklahoma School of Science and Mathematics Operational Audit

Background

The Oklahoma School of Science and Mathematics (Agency) was created through legislative action in 1983. Its mission is to foster the educational development of Oklahoma high school students who are talented in science and mathematics and show promise of exceptional development through participation in a residential educational setting emphasizing instruction in science and mathematics; to develop, evaluate and foster science and mathematics instructional programs; and to serve all schools and students of Oklahoma through research, teacher training and outreach activities.

Oversight is provided by the 21 member board of trustees.

Board members as of November 2013 are:

Mr. Dan Little	Chairman
Dr. David Drennan	Vice Chair
Mary Ann Bauman, M.D.....	Member
Dr. Kent Buchanan	Member
Mr. Jack Coffman.....	Member
Mr. Mason Cole	Member
Mrs. Talita DeNegri	Member
Senator Jim Halligan.....	Member
Mr. Carl E. Johnson.....	Member
Dr. Michael Jordan.....	Member
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Mr. Ron Mashore, P.E.....	Member
Mr. Steven Rhines	Member
Mr. Geoffrey Simpson	Member
Ms. Donna Windel	Member
The Honorable Janet Barresi.....	Ex-Officio Member
Dr. Kelly Dampousse	Ex-Officio Member
Dr. Bret S. Danilowicz, Dean.....	Ex-Officio Member
Mr. James D. Harrel, Chairman	Ex-Officio Member
Dr. Glen D. Johnson.....	Ex-Officio Member
Dr. Kalpana Misra, Dean	Ex-Officio Member

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The charts below illustrate how the Agency is primarily funded, and where the funds are expended.¹

Chart 1 - Revenues by Category for July 1, 2011 through June 30, 2013

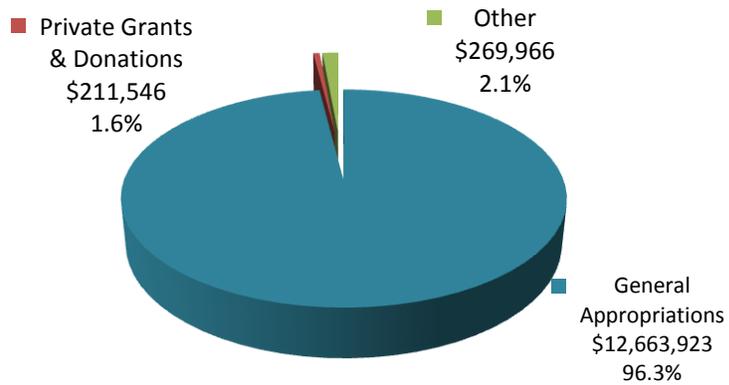
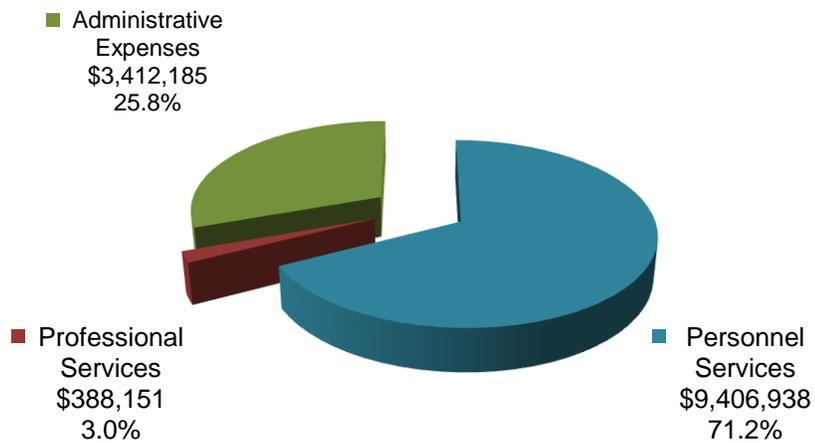


Chart 2 - Expenditures by Category for July 1, 2011 through June 30, 2013



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

¹ This information was obtained from Oklahoma PeopleSoft accounting system. It is for informational purposes only and has not been audited.

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state agencies whose duties 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 objectives.

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, 2011 through June 30, 2013. Our audit procedures included inquiries of appropriate personnel, inspections of documents and records, and observations of the Agency's operations. We also tested a sample of transactions to achieve our objective. To ensure the samples were representative of the population and provided sufficient, appropriate evidence, the random and judgmental (based on vendor name) sample methodologies were used. We identified specific attributes for testing each of the samples and when appropriate, we projected our results to the population.

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.

OBJECTIVE

Determine whether the Agency's internal controls provide reasonable assurance that expenditures (excluding payroll) were accurately reported in the accounting records.

Conclusion

The Agency's internal controls provide reasonable assurance that expenditures (excluding payroll) were accurately reported in the accounting records.



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