



OKLAHOMA STATE BOARD OF EXAMINERS IN OPTOMETRY

Operational Audit

For the Period January 1, 2014 through June 30, 2020

Cindy Byrd, CPA
State Auditor & Inspector

**Audit Report of the
Oklahoma State Board of
Examiners in Optometry**

**For the Period
January 1, 2014 through June 30, 2020**

March 8, 2021

TO THE OKLAHOMA STATE BOARD OF EXAMINERS IN OPTOMETRY

We present the audit report of the Oklahoma State Board of Examiners in Optometry for the period January 1, 2014 through June 30, 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,



CINDY BYRD, CPA
OKLAHOMA STATE AUDITOR & INSPECTOR



**Oklahoma State Board of Examiners in Optometry
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Background

The mission of the Oklahoma Board of Examiners in Optometry (the Agency) is to protect the public by regulating the practice of Optometry in the state of Oklahoma through education and licensing, and to insure that optometrists practice within the provisions of the law. Oversight is provided by five board members (the Board), including four licensed optometrists and one lay person, appointed by the governor. Each licensed board member serves a term of five years and the lay person serves a term coterminous with that of the governor.

Board members as of February 2021:

David Cockrell..... President
M. Patrick Day..... Vice-President
James Coburn Secretary/Treasurer
Daryle Riner..... Member
Brandon Hadel Member

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: | | |
| Licenses, Permits, Fees | \$ 272,353 | \$ 289,453 |
| Total Sources | \$ 272,353 | \$ 289,453 |
| Uses: | | |
| Personnel Services | \$ 205,005 | \$ 237,563 |
| Professional Services | 38,893 | 30,992 |
| Administrative Expenses | 23,087 | 25,741 |
| Travel | 11,265 | 12,934 |
| Total Uses | \$ 278,250 | \$ 307,230 |

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

**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 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 January 1, 2014 through June 30, 2020. Our audit procedures included inquiries of appropriate personnel, data analysis, and inspections of documents and records. Further details regarding our methodology are included in Appendix A.

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.

Internal Control Considerations

The Government Accountability Office (GAO) emphasizes the importance of internal controls at all levels of government entities. Their *Standards for Internal Control*¹ outline the five overarching components of internal control: the control environment, risk assessment, information and communication, monitoring, and detailed control activities. Each of these components includes a subset of principles that are expected to be operating at government entities.

The *Standards for Internal Control* underscore that an internal control system is effective only when the five components of internal control are effectively designed, implemented, and operating together in an integrated manner. As required by *Government Auditing Standards*², we have identified one principle of internal control significant to the objective in this engagement; see our methodology on the next page.

¹ *Standards for Internal Control in the Federal Government*, or the “Green Book,” sets standards and the overall framework for an effective internal control system in federal agencies and is treated as best practices for other levels of government. Last update 2014, accessible online at <https://www.gao.gov/products/GAO-14-704G>.

² *Government Auditing Standards*, or the “Yellow Book,” also promulgated by the GAO, guides our performance and operational audits. Last version 2018, accessible online at <https://www.gao.gov/products/GAO-18-568G>.

OBJECTIVE

Determine whether 10% of fees collected by the Agency during the audit period were transferred to the state's General Revenue Fund as required by 62 O.S. § 211.

Conclusion

Ten percent of fees collected by the Agency during the audit period were transferred to the state's General Revenue Fund as required by 62 O.S. § 211.

To accomplish our objectives, we performed the following:

- Documented our understanding of the Agency's process for calculating transfers to the state's General Revenue Fund.
- Obtained records of the Agency's audit period deposits and transfers through the State-Wide Accounting System and calculated to ensure that 10% of fees charged, collected, and received by the Agency were transferred as required by 62 O.S. § 211.
- Identified Principle 17 of internal control, "Management should remediate identified internal control deficiencies on a timely basis," as significant to this objective, and assessed that it is operating effectively.

No findings were identified as a result of these procedures.

APPENDIX A: Detailed Methodology

In gaining an understanding of the Agency and developing our detailed objectives, in addition to routine discussions, analysis, research, and prior audit follow-up, we performed the following:

- Reviewed revenue, expenditure, and asset-related data from the State-Wide Accounting System and gathered information from Agency personnel to assess the related financial processes and trends for any notable risks.
- Analyzed top vendors and expenditures by dollar amount. Reviewed a selection of miscellaneous expenditure claims. No significant risks or concerns were identified through these procedures.
- Reviewed the Agency's HR All Actions Report from the State-Wide Accounting System to assess the personnel changes that had a financial impact during the audit period.
- Gathered information from the Agency relating to statute 59 O.S. 13 § 587 stating that "the secretary-treasurer shall receive a compensation fixed by the Board." Upon the Board's approval in 2017, the Agency is no longer making payments to the Secretary Treasurer (compensation is currently fixed at zero).

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S·A·I
STATE AUDITOR & INSPECTOR



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