

OPERATIONAL AUDIT

OKLAHOMA SECRETARY OF STATE

For the period July 1, 2011 through December 31, 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 Secretary of State**

**For the Period
July 1, 2011 through December 31, 2013**



Oklahoma State Auditor & Inspector

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August 7, 2014

TO THE OKLAHOMA SECRETARY OF STATE

This is the audit report of the Oklahoma Secretary of State for the period July 1, 2011 through December 31, 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".

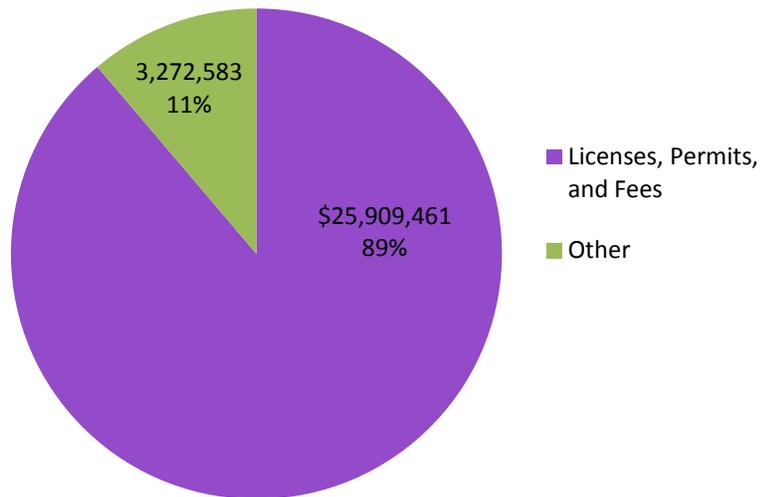
GARY A. JONES, CPA, CFE
OKLAHOMA STATE AUDITOR & INSPECTOR

Background

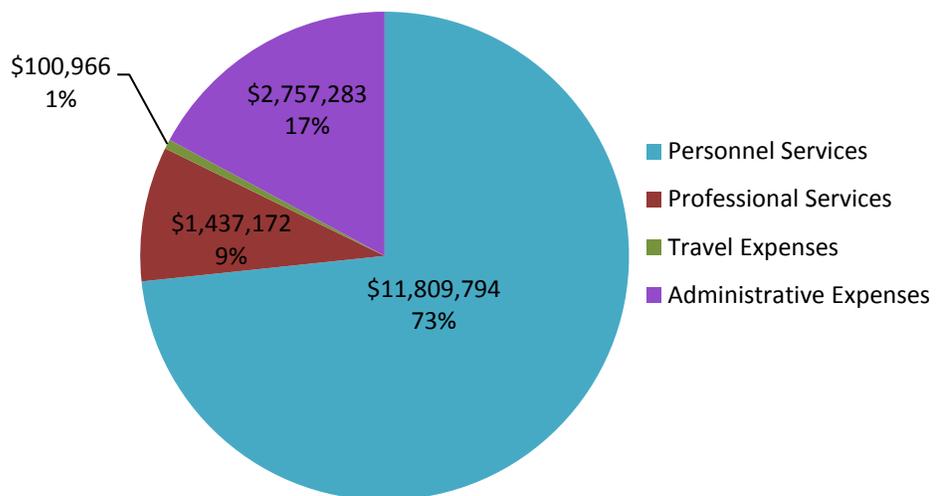
The Office of the Secretary of State is the official repository and filing agency of all official acts of the governor, legislation and state questions, business entity filings, state agency rules and regulations, agriculture lien filings, notary public applications, athlete agency registrations, and bonds of public officials and employees.

The following charts illustrate the Agency’s primary funding sources, and where those funds are expended.¹

Revenues by Category July 1, 2011 through December 31, 2013



Expenditures by Category July 1, 2011 through December 31, 2013



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

Oklahoma Secretary of State Operational Audit

Scope and Methodology

Our audit was conducted at the request of the Governor and in accordance with 74 O.S. § 212 and 74 O.S. 213.2.B.

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 December 31, 2013. Our audit procedures included inquiries of appropriate personnel, inspections of documents and records, and observations of the Oklahoma Secretary of State's operations. We also tested a sample of transactions to achieve our objectives. To ensure the samples were representative of the population and provided sufficient, appropriate evidence, the random sample methodology was 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 and revenue were accurately reported in the accounting records, and financial operations complied with applicable finance related laws and regulations.

Conclusion

The Agency's internal controls provide reasonable assurance that expenditures, including payroll, and revenue were accurately reported in the accounting records, and financial operations complied with applicable finance related laws and regulations (74 O.S. § 10.5.9).

We have no recommendations as a result of our procedures.



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