

**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 black ink that reads "Jeff A. McMahon".

JEFF A. McMAHAN  
State Auditor and Inspector

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**OKLAHOMA BOARD OF NURSING  
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**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.

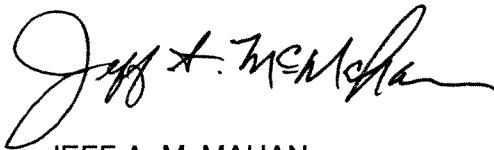
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The purpose of these procedures was to identify the internal controls designed or developed by the Oklahoma Board of Nursing, make recommendations in certain areas, and determine whether stated controls were operating as represented to us or if additional 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