

Office of State Auditor & Inspector
Administrative Rules Report | Executive Order 2020-03

Comprehensive Review of Administrative Rules as of June 2020
Report Submitted by Cindy Byrd, State Auditor, CByrd@SAI.OK.gov, 405-521-3495

Method Used to Conduct Review: search for “State Auditor” on Office of Administrative Rules’ *Administrative Code* website

TOTAL NUMBER OF UNECESSARY, COSTLY, INEFFECTIVE, DUPLICATIVE, OR
OUTDATED REGULATIONS: 6

Explanation: Our office does not have any administrative rules of its own. (The only rules for our office that existed, in Title 80 (and parts of Title 5), pertained to abstractors, and the statutes pertaining to those rules were repealed in 2007; in October 2018, we communicated with the Office of Administrative Rules about those rules, and that office “editorially terminated” them.)

However, there are administrative rules in other agencies’ rules that specify requirements for our office. They, and our opinions of them, are as follows:

70 O.A.R. § 1-1-4: The [Oklahoma Arts] Council may apply for, accept[,] and use any gift, grant[,] or bequest from any source for the purpose of discharging its duties. All such sums shall be deposited in the State Treasury to the credit of the Council and shall be disbursed as provided by the Oklahoma Budget Law of 1947[...] upon proper claims approved by the secretary or other person designated by the Council. The State Auditor and Inspector shall audit and report on this account.

This rule recites a statutory requirement that was repealed 10 years ago. Our office has statutory audit requirements, Title 74 Section 212, including auditing state agencies, and otherwise audits funds/accounts based on materiality as provided in auditing standards. This administrative requirement is unnecessary and duplicative. (We have shared this opinion with this agency.)

230 O.A.R. § 35-3-49: Due to the volume of activity in the County Election Board Special Depository Account, this account will be inspected by the State Election Board and audited by the office of the State Auditor and Inspector on a periodic basis. The Secretary shall maintain a record in MESA of all deposits to the account and all vouchers issued from the account.

Our office has statutory audit requirements, Title 74 Section 212, including auditing state agencies, and otherwise audits funds/accounts based on materiality as provided in auditing standards. This administrative requirement is unnecessary. (We have shared this opinion with this agency.)

260 O.A.R. § 80-1-29(a): Periodic internal audits of the [...] operations and financial affairs [of the Oklahoma State Agency for Surplus Property, operating as the Property Distribution program of the Office of Management and Enterprise Services] shall be conducted in accordance with the schedule established by the Oklahoma State Auditor and Inspector.

This rule pertains to internal audits by this entity. The provision of this rule that requires our office to establish a schedule regarding such audits is unnecessary. (We have shared this opinion with this agency.)

325 O.A.R. § 75-1-6: The State Auditor and Inspector shall audit the [Oklahoma Horse Racing Commission's] Oklahoma Breeding Development Fund Special Account on an annual basis. The expense of the audit shall be paid from said Special Account.

This rule recites a statutory requirement that was repealed 10 years ago. Our office has statutory audit requirements, Title 74 Section 212, including auditing state agencies, and otherwise audits funds/accounts based on materiality as provided in auditing standards. This administrative requirement is unnecessary and duplicative. (We have shared this opinion with this agency.)

612 O.A.R. § 1-7-1(d): State Auditor and Inspector: [... T]he Auditor has the specific responsibility of annually auditing the [state] Department[of Rehabilitation Services]'[] expenditure of State funds in those programs administered by the Department which are funded solely with State funds.

Our office has statutory audit requirements, Title 74 Section 212, including auditing state agencies, and otherwise audits funds/accounts based on materiality as provided in auditing standards. This administrative requirement is unnecessary. (We have shared this opinion with this agency.)

795 O.A.R. § 10-1-9: All monies received by the [Oklahoma Wheat] Commission for the fees hereinbefore assessed shall be deposited in the State Treasury to the credit of the Commission's Revolving Fund[] and shall be disbursed by order of the Commission upon warrants issued by the State Treasurer against claims submitted to the Director of State Finance for audit and payment. The books, records[,] and accounts of the Commission, and the Oklahoma Wheat Research Foundation in respect to the funds allocated to it under the provisions of the rules of the Commission[,] shall be audited annually by the State Auditor and Inspector, with the cost of the respective audits to be paid from the funds of the respective organization for whom the audit is made.

This rule recites a statutory requirement that was repealed 10 years ago. It appears that this entity is no longer a state agency but, instead, is now a non-governmental organization. (We have notified the Office of Secretary of State's Office of Administrative Rules of this and proposed that, as such, that office editorially terminate this rule.)

END OF REPORT