

**OKLAHOMA COUNTY, OKLAHOMA  
SCHEDULE OF FEDERAL AWARDS,  
REPORTS ON INTERNAL CONTROL AND COMPLIANCE  
IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*,  
REPORTS ON INTERNAL CONTROL AND COMPLIANCE  
IN ACCORDANCE WITH OMB CIRCULAR A-133  
FOR THE YEAR ENDED JUNE 30, 2005**

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STATE OF OKLAHOMA  
OFFICE OF THE AUDITOR AND INSPECTOR

JEFF A. McMAHAN  
State Auditor and Inspector

January 27, 2006

TO THE CITIZENS OF  
OKLAHOMA COUNTY, OKLAHOMA

Transmitted herewith are the Single Audit Reports and the Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards* of Oklahoma County, Oklahoma, for the fiscal year ended June 30, 2005. Our report on the audited financial statements was issued under separate cover. The audit was conducted in accordance with auditing standards generally accepted in the United States of America, *Government Auditing Standards*, and the provisions of the Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*.

Reports of this type are critical in nature; however, we do not intend to imply that our audit failed to disclose commendable features in the present accounting and operating procedures of the County.

We wish to take this opportunity to express our appreciation for the assistance and cooperation extended to our office during the course of our audit.

The Office of the State Auditor and Inspector is committed to serve the public interest by providing independent oversight and to issue 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,

JEFF A. McMAHAN  
State Auditor and Inspector

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**Schedule of Expenditures of Federal Awards**

**OKLAHOMA COUNTY, OKLAHOMA  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
JUNE 30, 2005**

Federal Grantor/Pass Through Grantor/Program Title	Federal CFDA Number	Pass-Through Grantor's Number	Federal Expenditures
<u>U.S. DEPARTMENT OF AGRICULTURE</u>			
Passed Through Oklahoma Department of Education:			
School Breakfast Program	10.553	N/A	\$ 40,697
National School Lunch Program	10.555	N/A	62,564
Total U.S. Department of Agriculture			<u>103,261</u>
<u>U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT</u>			
Passed Through Oklahoma City Housing Authority:			
Resident Opportunity and Supportive Services	14.870	N/A	53,708
Total U.S. Department of Housing and Urban Development			<u>53,708</u>
<u>U.S. DEPARTMENT OF INTERIOR</u>			
Direct:			
Payments in Lieu of Taxes	15.226	N/A	7,753
Total U.S. Department of Interior			<u>7,753</u>
<u>U.S. DEPARTMENT OF JUSTICE</u>			
Direct:			
Local Law Enforcement Block Grants	16.592	2002-LBBX-2588	31,036
State Criminal Alien Assistance Program	16.606	2004-APBX-0395	84,623
Public Safety Partnership and Community Policing Grants (COPS)	16.710	2002-SHWX-0720	40,432
Public Safety Partnership and Community Policing Grants (COPS)	16.710	2001-SHWX-0630	143,699
Public Safety Partnership and Community Policing Grants (COPS)	16.710	2000-CLWX-0034	59,804
Total Public Safety Partnership and Community Policing Grants (COPS)			<u>243,935</u>
Passed Through Oklahoma Department of Corrections:			
Offender Reentry Program	16.202	N/A	63,094
Passed Through Oklahoma Office of Juvenile Affairs:			
Juvenile Justice and Delinquency Prevention-Allocation to States	16.540	2003-PV-09-14	15,249
Passed Through National Court Appointed Special Advocate Association:			
Victims of Child Abuse	16.547	N/A	40,000
Passed Through Oklahoma District Attorneys Council:			
Crime Victim Assistance	16.575	N/A	56,901
Byrne Formula Grant Program (RSAT)	16.579	R03-003	49,009
Byrne Formula Grant Program	16.579	D04-034	43,121
Total Byrne Formula Grant Program			<u>92,130</u>
Passed Through Oklahoma Highway Safety Office:			
Enforcing Underage Drinking Laws Program	16.727	2002-AHFX0012-04D	13,126
Total U.S. Department of Justice			<u>640,094</u>
<u>U.S. DEPARTMENT OF LABOR</u>			
Passed Through City of Oklahoma City Office of Workforce Development:			
WIA Cluster			
WIA Adult Program	17.258	N/A	345,669
WIA Youth Activities	17.259	N/A	520,762
WIA Dislocated Workers	17.260	N/A	470,950
Total WIA Cluster			<u>1,337,381</u>

The accompanying notes are an integral part of this schedule.

**OKLAHOMA COUNTY, OKLAHOMA**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**JUNE 30, 2005**

Federal Grantor/Pass Through Grantor/Program Title	Federal CFDA Number	Pass-Through Grantor's Number	Federal Expenditures
<u>U.S. DEPARTMENT OF LABOR (continued)</u>			
Passed Through the Oklahoma Employment Security Commission:			
WIA Incentive Grants	17.267	N/A	37,446
WIA Incentive Grants	17.267	N/A	29,235
Total WIA Incentive Grants			<u>66,681</u>
Total U.S. Department of Labor			<u>1,404,062</u>
<u>U.S. DEPARTMENT OF TRANSPORTATION</u>			
Passed Through Oklahoma Highway Safety Office:			
State and Community Highway Safety	20.600	QN5-05-03-02-02	88,209
State and Community Highway Safety	20.600	QN4-04-03-02-01	50,013
Total U.S. Department of Transportation			<u>138,222</u>
<u>FEDERAL EMERGENCY MANAGEMENT AGENCY</u>			
Passed Through Oklahoma State Department of Civil Emergency Management:			
Public Assistance Grants	83.544	N/A	2,101
Hazard Mitigation Grant	83.548	N/A	35,000
Hazard Mitigation Grant	83.548	N/A	250,846
Total Hazard Mitigation Grant			<u>285,846</u>
Emergency Management Performance Grants	83.552	N/A	58,608
Total Federal Emergency Management Agency			<u>346,555</u>
<u>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</u>			
Passed Through City of Oklahoma City Office of Workforce Development:			
Temporary Assistance for Needy Families (TANF)	93.558	N/A	67,767
Passed Through Oklahoma Department of Human Services:			
Foster Care: Title IV-E	93.658	N/A	208,297
Total U.S. Department of Health and Human Services			<u>276,064</u>
Total Expenditures of Federal Awards			<u>\$ 2,969,719</u>

The accompanying notes are an integral part of this schedule.

**OKLAHOMA COUNTY, OKLAHOMA**  
**NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**JUNE 30, 2005**

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1. Summary of Significant Accounting Policies

The accompanying schedule of expenditures of federal awards has been prepared in conformity with the requirements set forth in the Single Audit Act of 1984, Public Law 98-502, the Single Audit Act Amendments of 1996, Public Law 104-156 and the Office of Management and Budget (OMB) Circular A-133 *Audits of States, Local Governments, and Non-Profit Organizations*.

A. Reporting Entity

The Governmental Accounting Standards Board (GASB) has set forth criteria to be considered in determining financial accountability. The reporting entity is the primary government of Oklahoma County as presented in the Comprehensive Annual Financial Report (CAFR).

B. Basis of Presentation

The accompanying schedule of expenditures of federal awards includes the federal grant activity of the primary government of Oklahoma County and is presented on the cash basis of accounting, which is a basis of accounting other than GAAP. Revenue and expenditures are reported using the modified accrual basis of accounting in the Comprehensive Annual Financial Report (CAFR). Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

**Report on Internal Control Over Financial Reporting and on Compliance and  
Other Matters Based on an Audit of Financial Statements Performed in Accordance With  
*Government Auditing Standards***





STATE OF OKLAHOMA  
OFFICE OF THE AUDITOR AND INSPECTOR

JEFF A. McMAHAN  
State Auditor and Inspector

**Report on Internal Control Over Financial Reporting and on Compliance and  
Other Matters Based on an Audit of Financial Statements Performed in Accordance With  
*Government Auditing Standards***

TO THE OFFICERS OF  
OKLAHOMA COUNTY, OKLAHOMA

We have audited the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Oklahoma County, Oklahoma, as of and for the year ended June 30, 2005, which collectively comprise Oklahoma County's basic financial statements, and have issued our report thereon dated January 27, 2006. We did not audit the financial statements of the Oklahoma County Public Buildings Authority, the financial statements of the Oklahoma County Finance Authority, and the financial statements of the pension trust funds of Oklahoma County. Those financial statements were audited by other auditors whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included for the business-type activities, the discretely presented component unit, and the pension trust funds included in the aggregate remaining fund information of Oklahoma County, is based solely on the reports of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

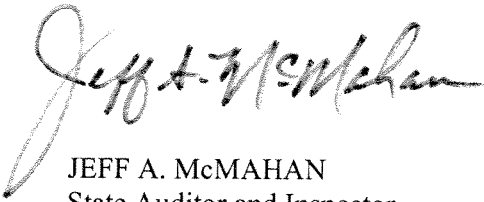
Internal Control Over Financial Reporting

In planning and performing our audit, we considered Oklahoma County's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinions on the financial statements and not to provide an opinion on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a reportable condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Oklahoma County's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

This report is intended solely for the information and use of the management of the County, federal awarding agencies, and pass-through entities and should not be used for any other purpose. This report is also a public document pursuant to the Oklahoma Open Records Act (51 O.S., section 24A.1 et seq.), and shall be open to any person for inspection and copying.

A handwritten signature in black ink, reading "Jeff A. McMahen". The signature is written in a cursive style with a large, looping initial "J".

JEFF A. McMAHAN  
State Auditor and Inspector

January 27, 2006

**Report on Compliance With Requirements Applicable to Each Major Program  
and on Internal Control Over Compliance in Accordance With  
OMB Circular A-133**



STATE OF OKLAHOMA  
OFFICE OF THE AUDITOR AND INSPECTOR

JEFF A. McMAHAN  
State Auditor and Inspector

**Report on Compliance With Requirements Applicable to Each Major Program  
and on Internal Control Over Compliance in Accordance With  
OMB Circular A-133**

TO THE OFFICERS OF  
OKLAHOMA COUNTY, OKLAHOMA

Compliance

We have audited the compliance of Oklahoma County with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended June 30, 2005. Oklahoma County's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grant agreements applicable to each of its major federal programs is the responsibility of Oklahoma County's management. Our responsibility is to express an opinion on Oklahoma County's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Oklahoma County's compliance with those requirements and performing such other procedures, as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide legal determination on Oklahoma County's compliance with those requirements.

In our opinion, Oklahoma County complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2005.

Internal Control Over Compliance

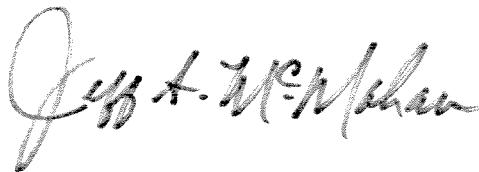
The management of Oklahoma County is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered Oklahoma County's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133.

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a reportable condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts, and grants caused by error or fraud that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over compliance and its operation that we consider to be material weaknesses.

#### Schedule of Expenditures of Federal Awards

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component unit, each major fund, and the aggregate remaining fund information of Oklahoma County, Oklahoma as of and for the year ended June 30, 2005, which collectively comprise the County's basic financial statements, and have issued our report thereon dated January 27, 2006. We did not audit the financial statements of the Oklahoma County Public Buildings Authority, the financial statements of the Oklahoma County Finance Authority and the financial statements of the pension trust funds of Oklahoma County. Those financial statements were audited by other auditors whose reports have been furnished to us, and our opinion on the financial statements, insofar as they relate to the amounts included for the business-type activities, the aggregate discretely presented component unit, and the pension trust funds included in the aggregate remaining fund information of Oklahoma County, is based solely on the reports of the other auditors. Our audit was performed for the purpose of forming opinions on the financial statements that collectively comprise Oklahoma County's basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

This report is intended solely for the information and use of the management of the County, federal awarding agencies, and pass-through entities and should not be used for any other purpose. This report is also a public document pursuant to the Oklahoma Open Records Act (51 O.S., section 24A.1 et seq.), and shall be open to any person for inspection and copying.



JEFF A. McMAHAN  
State Auditor and Inspector

January 27, 2006

**Schedule of Findings and Questioned Costs**

**OKLAHOMA COUNTY, OKLAHOMA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
JUNE 30, 2005**

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**SECTION 1 - Summary of Auditor's Results**

Financial Statements

Type of auditor's report issued:	Unqualified
Internal control over financial reporting:	
• Material weakness(es) identified?	No
• Reportable condition(s) identified that are not considered to be material weaknesses?	None Reported
Noncompliance material to financial statements noted?	No

Federal Awards

Internal control over major programs:	
• Material weakness(es) identified?	No
• Reportable condition(s) identified that are not considered to be material weakness(es)?	None Reported
Type of auditor's report issued on compliance for major programs:	Unqualified
Any audit findings disclosed that are required to be reported in accordance with section 510(a) of Circular A-133?	No

Identification of Major Programs

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>
17.258	<b>WIA Cluster</b>
17.259	WIA Adult Program
17.260	WIA Youth Activities
	WIA Dislocated Workers

**OKLAHOMA COUNTY, OKLAHOMA**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**JUNE 30, 2005**

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Dollar threshold used to distinguish  
between Type A and Type B programs: \$300,000

Auditee qualified as low-risk auditee? Yes

**SECTION 2 – Findings related to the Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With *Government Auditing Standards***

No matters were reported.

**SECTION 3 - Findings related to the Report on Compliance With Requirements Applicable to Each Major Program and on Internal Control Over Compliance in Accordance With OMB Circular A-133**

No matters were reported.