

COMPLIANCE AND CONTROL AUDIT REPORT

**BOARD OF ACCOUNTANCY
ABSTRACTERS' BOARD OF EXAMINERS
REAL ESTATE COMMISSION
BOARD OF TECHNICAL PROFESSIONS
BOARD OF VETERINARY EXAMINERS**

OBTAINING AUDIT INFORMATION

This audit was conducted by Randy Tongier, Financial-Compliance Audit Manager, and Roy Fitzpatrick, Auditor, of the Division's staff. If you need any additional information about the audit's findings, please contact Mr. Tongier at the Division's offices.

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**BOARD OF ACCOUNTANCY
ABSTRACTERS' BOARD OF EXAMINERS
REAL ESTATE COMMISSION
BOARD OF TECHNICAL PROFESSIONS
BOARD OF VETERINARY EXAMINERS**

Summary of Legislative Post Audit's Findings

The Legislative Division of Post Audit conducted compliance and control audit work at the Board of Accountancy, Abstracters' Board of Examiners, Real Estate Commission, Board of Technical Professions, and Board of Veterinary Examiners in partial fulfillment of the Legislative Post Audit Act's requirement that audit work be conducted at each State agency at least once every three years. This compliance and control audit addressed the area of receipts. The audit also followed up on prior audit findings and recommendations. The period covered by this audit was fiscal year 1990.

Did the agencies covered by this audit comply with legal and procedural requirement applicable to their receipts, and provide adequate internal control over receipts? The agencies' procedures for handling receipts were in accordance with legal and procedural requirements. In addition, the agencies' internal controls over receipts were adequate, except that the Real Estate Commission and Board of Veterinary Examiners needed to improve their receipts procedures.

The prior audit reports addressed one recommendation to the Abstracters' Board of Examiners, and one recommendation to the Board of Veterinary Examiners. The recommendation to the Board of Veterinary Examiners, which addressed per diem payments to Board members, had not been implemented. This recommendation was repeated. The other prior recommendation had been implemented.

The report recommends that the Real Estate Commission periodically reconcile renewal licenses issued to renewal fees collected. In addition, the report recommends that the Board of Veterinary Examiners maintain a record of the individual fees that make up each deposit to the State Treasury. Finally, the report recommends that the Board of Veterinary Examiners make per diem payments to Board members only for authorized and documented meetings of the Board, and recover any per diem payments improperly made. We would be happy to discuss these recommendations or any other items in the report with legislative committees, individual legislators, or other State officials.



Barbara J. Hinton
Acting Legislative Post Auditor

**BOARD OF ACCOUNTANCY
ABSTRACTERS' BOARD OF EXAMINERS
REAL ESTATE COMMISSION
BOARD OF TECHNICAL PROFESSIONS
BOARD OF VETERINARY EXAMINERS**

The Legislative Post Audit Act requires that an annual financial statement audit be conducted of the State's general purpose financial statements. The Act also requires that audit work be conducted at each State agency at least once every three years. Audit work conducted as part of the annual financial statement audit partially fulfills the latter requirement. Also in partial fulfillment of that requirement, the Legislative Division of Post Audit has conducted compliance and control audit work at the Board of Accountancy, Abstracters' Board of Examiners, Real Estate Commission, Board of Technical Professions, and Board of Veterinary Examiners, covering the fiscal year ended June 30, 1990.

To avoid duplication of audit work conducted as part of the annual, Statewide audit, our audit work focused on areas not covered by the Statewide audit. These areas usually include receipts and locally administered funds, although the five agencies covered by this report had no locally administered funds. In addition, we followed up on any prior audit findings and recommendations. The audit addresses the following specific question:

- 1. Did the agencies covered by this audit comply with legal and procedural requirements applicable to their receipts, and provide adequate internal control over receipts?**

We identified the legal and procedural requirements applicable to the audited agencies' receipts by reviewing relevant statutes, administrative regulations, and sections of the Division of Accounts and Reports' Policy and Procedure Manual. We also interviewed agency personnel, reviewed written procedures, and examined related supporting documents to identify the agencies' procedures for handling receipts. We then compared those procedures with the applicable legal and procedural requirements. In addition, we identified the potential for loss or misuse of receipts, and we evaluated the level of control provided by the agencies' procedures in preventing and detecting loss or misuse of those receipts. Finally, we performed analytical tests of receipts, reviewed accounting records, and tested a sample of transactions at each agency.

In conducting this audit work, we followed all applicable generally accepted government auditing standards set forth by the U.S. General Accounting Office.

Background

This audit report covers five State agencies — the Board of Accountancy, Abstracters' Board of Examiners, Real Estate Commission, Board of Technical Professions, and Board of Veterinary Examiners. The operations of each agency are briefly described below.

Board of Accountancy

The Board of Accountancy comprises seven members appointed by the Governor to three-year terms. Five members must be certified public accountants practicing in Kansas, one member represents licensed municipal public accountants, and one member represents the general public. The Board appoints an executive secretary to manage the daily operations of the agency.

The Board regulates the practice of certified public accountants and licensed municipal public accountants in Kansas. Finally, the Board investigates complaints and may hold hearings.

The operations of the Board are funded by license fees. Twenty percent of the fees collected is deposited in the State General Fund. During fiscal year 1990, the Board collected \$234,476, of which \$187,651 was deposited in the agency's fee fund. According to the Governor's Budget Report, the Board's fiscal year 1990 expenditures totaled \$164,124, of which \$70,900 (44 percent) was for salaries and wages.

Abstracters' Board of Examiners

The Abstracters' Board of Examiners comprises three members appointed by the Governor to three-year terms. All three Board members must be practicing abstracters. The Board appoints one of its members to serve as executive secretary and administer the activities of the agency. The Board examines and licenses individuals and firms selling abstracts of title to Kansas real estate. The Board also enforces the State's requirements on binding and errors and omissions insurance for abstracters.

The operations of the Board are funded by license fees. Twenty percent of the fees collected is deposited in the State General Fund. During fiscal year 1990, the Board collected \$19,935, of which \$15,948 was deposited in the agency's fee fund. According to the Governor's Budget Report, the Board's fiscal year 1990 expenditures totaled \$15,407, of which \$13,169 (85 percent) was for salaries and wages.

Real Estate Commission

The Real Estate Commission comprises five members, one from each of the State's five congressional districts. Commission members are appointed by the Governor to four-year terms. The Board appoints a director to manage the daily operations of the agency.

The Commission examines and licenses real estate brokers and salespersons. In addition, the Commission investigates complaints and holds hearings. The Commission also administers a recovery fund, from which consumers may recover damages if they have been unsuccessful in collecting court judgments against licensees.

The operations of the Commission are funded by license fees. Twenty percent of the fees collected is deposited in the State General Fund up to a maximum of \$200,000. During fiscal year 1990, the Board collected \$823,192, of which \$516,563 was deposited in the agency's fee fund. An additional \$165,505 was deposited in the recovery fund. According to the Governor's Budget Report, the Board's fiscal year 1990 expenditures totaled \$498,510, of which \$333,328 (67 percent) was for salaries and wages.

Board of Technical Professions

The Board of Technical Professions comprises nine members appointed by the Governor to four-year terms. Three members must be architects, three engineers, one a landscape architect, one a land surveyor, and one representative of the general public. The Board regulates, through through examination and licensing, the practice of architecture, engineering, landscape architecture, and land surveying.

The operations of the Board are funded by license fees. Twenty percent of the fees collected is deposited in the State General Fund. During fiscal year 1990, the Board collected \$278,644, of which \$222,880 was deposited in the agency's fee fund. According to the Governor's Budget Report, the Board's fiscal year 1990 expenditures totaled \$250,375, of which \$111,140 (44 percent) was for salaries and wages.

Board of Veterinary Examiners

The Board of Veterinary Examiners comprises five members appointed by the Governor to four-year terms. Four members must be licensed veterinarians, and one member represents the general public. The Board appoints an executive director to administer the daily operations of the agency. The Board examines and licenses veterinarians practicing in Kansas. The Board also registers animal health technicians. The Board investigates complaints, and has the authority to inspect any facility used in the practice of veterinary medicine.

The operations of the Board are funded by license and registration fees. Twenty percent of the fees collected is deposited in the State General Fund. During fiscal year 1990, the Board collected \$97,935, of which \$78,348 was deposited in the agency's fee fund. According to the Governor's Budget Report, the Board's fiscal year 1990 expenditures totaled \$58,179, of which \$28,272 (49 percent) was for salaries and wages.

Did the Agencies Covered by This Audit Comply With Legal and Procedural Requirements Applicable To Their Receipts, and Provide Adequate Internal Control Over Receipts?

For fiscal year 1990, our review showed that these agencies complied with legal and procedural requirements applicable to receipts. In addition, the agencies' procedures provided adequate internal control over receipts, with two exceptions. The Real Estate Commission should reconcile renewal licenses issued to renewal fees collected. In addition, the Board of Veterinary Examiners should record the individual fees that make up each State Treasury deposit. Our conclusions were based on the following.

With Few Exceptions, the Agencies Complied With Applicable Requirements And Provided Adequate Controls

In the area of receipts, we identified the agencies' procedures for handling receipts, determined whether those procedures met applicable legal requirements, evaluated the internal controls provided by those procedures, and tested a sample of transactions, records, and reports to determine whether the applicable procedures had been followed. In particular, we determined whether:

- ◇ amounts due the agencies were properly assessed and collected
- ◇ amounts collected by the agencies were deposited in the State Treasury on a timely basis
- ◇ twenty percent of applicable receipts were deposited in the State General Fund
- ◇ the agencies' receipts procedures provided adequate controls to limit to an acceptable level the risk of loss or misuse of receipts and the risk of noncompliance with legal and procedural requirements

Except for certain receipts procedures of the Real Estate Commission and the Board of Veterinary Examiners, we found that amounts due were assessed and collected, amounts collected were deposited on a timely basis, appropriate amounts were paid to the State General Fund, and agency procedures provided adequate controls.

The Real Estate Commission and the Board of Veterinary Examiners Could Improve Their Controls Over Receipts

State agencies are responsible for ensuring that moneys collected are adequately safeguarded until they are deposited in the State Treasury. This calls for procedures to minimize the risk of loss or misuse of these moneys. In addition, State agencies issuing licenses are responsible for ensuring that licenses are not issued un-

less the appropriate fee has been collected. This calls for procedures to minimize the risk that licenses are improperly issued.

The Real Estate Commission's procedures do not ensure that license fees have been deposited in the State Treasury or that license fees have been collected before a license is issued. The Commission does not periodically reconcile the number of renewal licenses issued to the amount of renewal fees collected. Such a reconciliation would identify instances where a license might have been issued without the proper fee being collected, or where a license fee might have been collected but not recorded as a receipt. Investigation of these instances would identify any improper transactions and allow the Commission to correct any errors.

Recommendation

The Real Estate Commission should periodically reconcile renewal licenses issued to renewal fees collected.

The Board of Veterinary Examiners' receipts procedures do not ensure that cash receipts have been properly deposited in the State Treasury. The Board does not record receipt numbers issued for fees collected in a manner so that individual fees collected can be identified with specific deposits to the State Treasury. As a result, the Board does not have a way of knowing whether all receipts have been eventually deposited in the Treasury.

Recommendation

The Board of Veterinary Examiners should maintain a record of the individual fees that make up each deposit to the State Treasury.

Follow Up of Prior Audit Findings and Recommendations

As part of this audit, we followed up on prior audit findings and related recommendations. The prior audit reports made one audit recommendation to the Abstracters' Board of Examiners and one recommendation to the Board of Veterinary Examiners. Our review indicated that the prior audit recommendations addressed to the Abstracters' Board of Examiners had been implemented. However, the prior audit recommendation addressed to the Board of Veterinary Examiners had not been implemented. It is repeated below as a current audit recommendation.

Abstracters' Board of Examiners

The prior audit recommended that the Abstracters' Board of Examiners deposit its receipts in the State Treasury on a timely basis.

We found that this recommendation had been implemented.

Board of Veterinary Examiners

The prior audit recommended that Board of Veterinary Examiners ensure that per diem payments to Board members were proper. The audit also recommended that the Board recover improper payments made during fiscal year 1987.

We found that the Board made per diem payments to Board members for assisting in examinations at times when a Board meeting was not held. The amount paid for these instances was \$298. Attorney General's Opinion No. 80-191 states that Board members can receive per diem payments when assisting in examinations only if a duly authorized Board meeting is held. We also found that the Board made per diem payments to Board members for attending Board meetings that were not documented by minutes. The amount paid for these instances was \$210.

Recommendation

The Board of Veterinary Examiners should make per diem payments to Board members only for authorized and documented meetings of the Board. The Board should also recover any per diem payments improperly made.

Board of Accountancy

Real Estate Commission

Board of Technical Professions

The above agencies had no prior audit findings and recommendations.

APPENDIX A

Agency Responses

We provided copies of the draft audit report to the Board of Accountancy, Abstracters' Board of Examiners, Real Estate Commission, Board of Technical Professions, and the Board of Veterinary Examiners. Their responses are included in this Appendix. The discrepancies mentioned in the response of the Board of Technical Professions were typographical errors in the draft report.

STATE OF KANSAS
BOARD OF ACCOUNTANCY



GLENDIA ~~SHERMAN~~ Moore
BOARD SECRETARY
TELEPHONE (913) 296-2162

556 LONDON STATE OFFICE BUILDING
900 S.W. JACKSON STREET
TOPEKA, KS 66612

September 4, 1991

Barbara J. Hinton
Acting Legislative Post Auditor
1200 Merchants Bank Tower
8th and Jackson Streets
Topeka, KS 66612-2212



Dear Ms. Hinton:

This is to acknowledge receipt of your September 3 letter enclosing a draft copy of the compliance and control audit report on the Board of Accountancy for fiscal year 1990. I have reviewed the report and find no errors in the information concerning the Board of Accountancy.

Sincerely,

Handwritten signature of Glenda S. Moore in cursive.
Glenda S. Moore
Executive Director

P.S. Please note for your records that my name has been changed from Glenda Sherman to Glenda Moore.

c: Adley E. Johnson, CPA, Chairman, Salina

JOHN M. BELL
CHAIRMAN
434 N. MAIN
WICHITA, KS. 67202
(316) 267-8371

ROGER HANNAFORD
BOARD MEMBER
BOX 352
MARION, KS. 66861
(316) 382-2130

GLEN R. MCQUEEN
BOARD MEMBER
BOX 549
HUGOTON, KS. 67951
(316) 544-2311

JOANNE CLARKE
EXECUTIVE SECRETARY
BOX 218
JETMORE, KS. 67854
(316) 356-8328

ABSTRACTERS' BOARD OF EXAMINERS

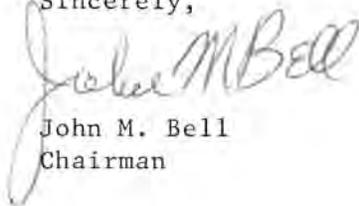
October 1, 1991

Randy Tongier
Financial-Compliance Audit Manager
Legislative Division of Post Audit
1200 Merchants Bank Tower
8th & Jackson
Topeka, Kansas 66612

Dear Mr. Tongier:

Other than the first sentence of the background report on the Abstracters' Board of Examiners where you refer to us as "The Board of Healing Arts", we agree with your findings.

Sincerely,



John M. Bell
Chairman



JOAN FINNEY, GOVERNOR

KANSAS REAL ESTATE COMMISSION

Landon State Office Building
900 Jackson Street, Room 501
Topeka, Kansas 66612-1220

(913) 296-3411



GENE YOCKERS, DIRECTOR

September 11, 1991

RECEIVED
SEP 12

Barbara J. Hinton
Acting Legislative Post Auditor
1200 Merchants Bank Tower
8th & Jackson
Topeka, KS 66612-2212

Re: your September 3, 1991 letter

Dear Ms. Hinton:

Thank you for providing us a draft copy of your compliance and control audit report.

Based on staff discussion with Mr. Fitzpatrick during his audit, we immediately changed our procedures related to deposit of renewal fees. A brief description of the procedure is attached for your information. We would be pleased to furnish any other information that you may need.

Very truly yours,

E. W. Yockers
Director

EWY:kw

enc

PROCEDURE FOR PROOFING RENEWAL ENTRIES

Prior to entering renewals, complete all daily processing which makes a batch or deposit entry. The licenses and batch report must be printed that day instead of the next morning. Once the licenses have been printed, clear the batch.

With the batch cleared, you may begin entering the renewals until approximately 30 minutes before the office closes. When you are finished for the day, access the deposit report on the terminal and ask for a summary report to be printed for today's date ONLY. This will show how many renewal entries have been made today. Count your renewal applications and verify the number against the printout. If the count does not match, you must print a complete listing of today's entries and match each entry on the listing with each renewal application to find out why the count is off. Next you will print a batch report. This will give a complete listing of all renewal entries by name. The batch report and deposit summary are filed and the licenses in the batch are printed. The licenses can continue printing after the office is closed.

Attached: sample Deposit Summary Report
sample Batch Report

ACCOUNT CODE	AMOUNT	NUMBER OF ENTRIES
AF	90 00	6
CF	20 00	1
DS	85 41	3
SF	24900 00	498 ✓ OK cm
TR	15 00	1
TOTAL	25110 41	509

Deposit Summary Report

Batch Report

NAME	CASH NUMBER	LICENSE NUMBER	EMPLOYER NUMBER	ISSUE DATE	EXPIR. DATE
BERGMAN, SHERIL P.	66779	SP00037675	PR90012610 R	01-01-91	12-31-92
BERGREN, EVA L.	66569	SP00036391	PR90014230 R	01-01-91	12-31-92
BERNER, DONNA K.	66570	SP00017314	PR90025910 R	01-01-91	12-31-92
BERNING, RUSSELL J.	66780	SA00039737	PR90061230 R	01-01-91	12-31-92
BERNSTEIN, PHYLISS LOUIS	66571	SP00023799	CO90010980 R	01-01-91	12-31-92
BERRY, ADA W.	66572	SP00005946	CO90061170 R	01-01-91	12-31-92
BERRY, BEULAH F.	66573	SP00004523	R	01-01-91	12-31-92
BERRY, BRUCE ALAN	66574	SP00015803	CO90017800 R	01-01-91	12-31-92
BERRY, JEANETTE M.	66575	SP00014830	PA90044090 R	01-01-91	12-31-92
BERSCHAUER, WILMA LEE	66576	SP00018738	R	01-01-91	12-31-92
BERTRAND, JAMES D.	66577	SP00011544	R	01-01-91	12-31-92
BERTSCHY, CYNTHIA L.	66578	SP00033094	R	01-01-91	12-31-92
BESSEL, ALISA COFFMAN	66579	SP00030958	R	01-01-91	12-31-92
BEST, GERALDINE	66580	SP00004726	PR90015490 R	01-01-91	12-31-92
BETHEL, MARTHA S.	66581	SP00034781	BO90019314 R	01-01-91	12-31-92
BETTEKEN, PATRICIA D.	66582	SP00031401	R	01-01-91	12-31-92
BETTGE, CYNTHIA L.	66583	SA00041155	CO90059350 R	01-01-91	12-31-92
BETZELBERGER, TERRY L.	66781	SA00037161	R	01-01-91	12-31-92
BUDDY, GLORIA JEANNINE	66584	SP00015518	BO90016432 R	01-01-91	12-31-92
BEURSKENS, CARL H.	66585	SP00004536	CO90007920 R	01-01-91	12-31-92
BEVAN, LINDA S.	66586	SP00016433	BO90016432 R	01-01-91	12-31-92
BEVERAGE, NANCY W.	66587	SP00004238	R	01-01-91	12-31-92
BEVERIDGE, ELSIE M.	66588	SP00004537	BO90011354 R	01-01-91	12-31-92
BEVERLY, PAMELA K. MOORE	66589	SP00021718	CO90063000 R	01-01-91	12-31-92
BEYER, MARTIN W.	66590	SP00004535	PR90006170 R	01-01-91	12-31-92
BEZDEK, SHARON A.	66591	SP00032780	PR90019320 R	01-01-91	12-31-92
BIANCALANA, BUDDY	66782	SP00037469	PR90051270 R	01-01-91	12-31-92
BIBLER, RICHARD A.	66783	SP00039199	CO90022140 R	01-01-91	12-31-92
BICKERSTAFF, OLIVE M.	66784	SP00037325	BO90036585 R	01-01-91	12-31-92
BIEGHLER, ROCHELLE K.	66785	SP00038984	CO90033590 R	01-01-91	12-31-92
BIEHL, ROBERT D.	66786	SP00038920	CO90005590 R	01-01-91	12-31-92
BIERY, EDWARD L.	66787	SP00038412	PR90022330 R	01-01-91	12-31-92
BIESTER, TERRI E.	66788	SP00039299	PR90004390 R	01-01-91	12-31-92
BIEVER, SHARLEEN JANET	66592	SP00021425	R	01-01-91	12-31-92
BIGGE, DONALD L.	66593	SP00031205	R	01-01-91	12-31-92
BIGGS, LAURIE J.	66594	SP00033063	PR90046510 R	01-01-91	12-31-92
BIHLMAIER, CHERYL ARLENE	66595	SP00018133	PR90037750 R	01-01-91	12-31-92
BILARDO, JOAN S.	66596	SP00004551	CO90021330 R	01-01-91	12-31-92
BILLINGS, PAUL L.	66597	SP00011600	CO90046310 R	01-01-91	12-31-92
BILLINGS, SHIRLEY A.	66598	SP00031693	CO90046310 R	01-01-91	12-31-92
BILLINGSLEY, JOYCE E.	66599	SP00000107	CO90005590 R	01-01-91	12-31-92
BILLMAN, WILLIAM B.	66600	SP00030299	CO90006570 R	01-01-91	12-31-92
BILYEU, BEVERLY ANN	66601	SP00012205	CO90008610 R	01-01-91	12-31-92
BINDER, JOHN D.	66602	SP00035235	CO90016050 R	01-01-91	12-31-92
BING, PEGGY LEE	66603	SP00020246	BO90038241 R	01-01-91	12-31-92
BIORKMAN, JOYCE J.	66789	SP00038766	CO90008900 R	01-01-91	12-31-92
BIRK, ALANA R.	66604	SP00017699	CO90002420 R	01-01-91	12-31-92
BIRKLE, DANIEL W.	66790	SA00039932	CO90028820 R	01-01-91	12-31-92
BIRNBAUM, BEVERLY R.	66605	SP00021119	PR90025030 R	01-01-91	12-31-92
BITTENBENDER, MARILYN S.	66791	SP00036663	CO90001440 R	01-01-91	12-31-92
BIVENS, JEFF A.	66792	SA00039911	PR90053220 R	01-01-91	12-31-92
BJORGAARD, ERNEST D. JR.	66606	SA00039912	CO90044740 R	01-01-91	12-31-92
BJORK, LINDA J.	66607	SP00035436	PA90000090 R	01-01-91	12-31-92
BJORK, LINDA L.	66608	SP00022978	BO90061182 R	01-01-91	12-31-92
BLACK, DARRELL D.	66609	SA00041120	PR90017090 R	01-01-91	12-31-92
BLACK, DUANE WILLIAM	66610	SP00018854	PR90028550 R	01-01-91	12-31-92
BLACK, GARY L.	66611	SA00041139	CO90018190 R	01-01-91	12-31-92



KANSAS STATE BOARD OF TECHNICAL PROFESSIONS

(913) 296-3053

Suite 507, Landon State Office Building 900 Jackson Street Topeka, Kansas 66612-1214

MEMO

TO: Barbara J. Hinton, Acting Legislative Post Auditor
Legislative Division of Post Audit

FROM: Betty L. Rose, Executive Secretary *Betty L. Rose*
Kansas State Board of Technical Professions

RE: Compliance and Control Report for the Board of Technical Professions

DATE: September 4, 1991

I am in receipt of your letter and draft copy of the compliance and control report on the Board of Technical Professions.

I have highlighted a couple of areas in the report where there seemed to be discrepancies.

Otherwise, the accuracy of the report appears correct.

Encl.

RECEIVED
OCT 9

Board of Veterinary Examiners

Legislative Division of Post Audit
1200 Merchants Bank Tower
8th and Jackson
Topeka, KS 66612-2212

Randy Tongier
Financial-Compliance
Audit Manager

Yes, I did receive the draft copy of the compliance and control audit report and did review it. Apparently, I misunderstood on the need for the reply. I understood that if it was to be corrected or contested, then a reply would be needed, otherwise it would not. Sorry about the confusion on my part. Each of the things in this report were gone over in detail with the auditor at the time of the audit. I thought we had things under control.

When I took this position, I followed the procedures that had been established in the past as far as collecting the license renewal fees, reciprocity and application fees. A receipt is made for each item. A receipt voucher is made out and the monies sent to the state treasurer. There are approximately 2,400 veterinarians who maintain a license in the state of Kansas, even though they do not currently practice in this state and never have. Renewal notices (\$20 fee per year) of these licenses are sent the first of June, which means that the bulk of the bookwork is in June and July of each year as these fees are collected. Receipts are filled out (in triplicate) with the date, amount of the check, what it is for, the individual's name and check number. The receipt number is written on each individual's check, and a receipt is not sent unless the individual requests a copy. Each veterinarian has a file, which is then updated to include the receipt number of his/her renewal fees along with continuing education hours to show that the individual is current in both. When sending deposits to the state, we keep track of what receipt numbers make up this deposit.

As far as the 'improper' payments made during fiscal year 1987, I contacted the prior Secretary for the Board and he assured me that he and the previous auditor had this matter resolved. It was merely the wording in some of the minutes that the auditor felt was incorrect. There was no improper payment. In the past we have used non-board member veterinarians and paid them \$200 a day plus expenses for assisting with the administration of examinations. It has seemed the economical thing to do to have the board members doing this for \$35 a day. You can rest assured that will not happen again.

A handwritten signature in cursive, appearing to read "Tom D. Vincent".

