

**NANCY LOUTHAN, COURT CLERK
DEWEY COUNTY, OKLAHOMA
STATUTORY REPORT
FOR THE YEAR ENDED JUNE 30, 2002**

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STATE OF OKLAHOMA
OFFICE OF THE AUDITOR AND INSPECTOR

JEFF A. McMAHAN
State Auditor and Inspector

June 30, 2003

Nancy Louthan, Court Clerk
Dewey County, Oklahoma

Transmitted herewith is the statutory report for the Dewey County, Court Clerk, for the fiscal year ended June 30, 2002. This engagement was conducted in accordance with 20 O.S. §1312. A report of this type is critical in nature; however, we do not intend to imply that there were not commendable features in the present accounting and operating procedures of the Court Clerk.

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

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,

A handwritten signature in black ink that reads "Jeff A. McMahon".

JEFF A. McMAHAN
State Auditor and Inspector

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INTRODUCTORY INFORMATION

The Court Clerk is elected by the qualified voters of the County for a term of four years.

The primary responsibilities of the Court Clerk are to record, file and maintain the proceedings of the District Court, and perform other duties as directed by the District Court. Other duties and responsibilities of the Court Clerk are as follows: collecting all required Court fees, issuing warrants, orders, writs, subpoenas, passports and certain licenses, maintaining dockets and financial records for the various divisions of the Court, maintaining an appropriation ledger to control and monitor Court Fund expenditures, disbursing District Court funds in accordance with Court instructions and state statutes, and reviewing Court Fund claims for proper supporting documentation before bringing the claims and vouchers to the Court Fund Board for approval.



STATE OF OKLAHOMA
OFFICE OF THE AUDITOR AND INSPECTOR

JEFF A. McMAHAN
State Auditor and Inspector

Nancy Louthan, Court Clerk
Dewey County Courthouse
Taloga, Oklahoma 73667

Dear Ms. Louthan:

For the purpose of complying with 20 O.S. § 1312, we have performed the following procedures for the fiscal year 2002.

- We tested Court Fund vouchers issued to determine whether the expenditure: (1) was properly supported by a claim, invoice, and receiving documentation, (2) was properly approved, (3) was properly classified, and (4) did not exceed appropriations.
- We tested District Court vouchers to determine they were properly accounted for, and we looked at supporting documentation for disbursements to determine they were issued in accordance with Court instructions.
- We reconciled the Court Fund activity and/or balances to the County Treasurer's records.
- We reconciled the District Court case balances to the County Treasurer's depository ledger.
- We tested receipts issued to determine whether: (1) the correct fee was collected, and (2) the receipt was properly accounted for in the financial records.

All information included in the reconciliations, the Court Fund appropriation ledger, the monthly reports, and the cash receipts journal is the representation of the Court Clerk.

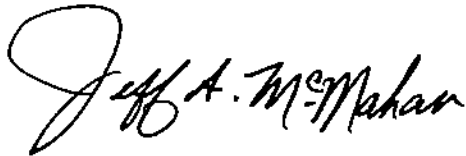
Our Court Clerk's engagement was limited to the procedures performed above and was less in scope than an audit performed in accordance with auditing standards generally accepted in the United States of America. Accordingly, we do not express an opinion on any general-purpose financial statements of Dewey County.

Based on the above reconciliations, tests, and procedures performed; the Court Clerk is collecting the correct fees; Court Fund vouchers were properly supported, approved, classified, and did not exceed appropriations; District Court vouchers were properly accounted for and were issued in accordance with Court instructions; Court Fund financial records and District Court case balances reconciled with the County Treasurer's records. With respect to the proper accounting for receipts, our findings and recommendations are outlined in the Schedule of Findings and Recommendations.

We have prepared a detailed analysis of the Court Fund, which is presented following this report.

This report is intended for the information and use of the Dewey County Court Fund Board and the Administrative Office of the Courts. This restriction is not intended to limit the distribution of this report, which is a matter of public record.

Sincerely,

A handwritten signature in black ink that reads "Jeff A. McMAHAN". The signature is written in a cursive style with a large initial "J" and "M".

JEFF A. McMAHAN
State Auditor and Inspector

May 5, 2003

NANCY LOUTHAN, COURT CLERK
DEWEY COUNTY, OKLAHOMA
COURT FUND ACCOUNT ANALYSIS
JUNE 30, 2002

Collections:

Court fund fines, fees, and forfeitures	\$ 149,255
Interest earned on deposit	242
Total collections	<u>149,497</u>

Deductions:

Lump sum budget categories:

Juror expenses	1,300
Trial court attorneys	445
Indigent defense witness	36
Mental health (attorneys)	860
General office supplies	1,828
Transcripts-preliminary and trial	1,573
OCIS computer training	107
Postage and freight	2,747
Court reporter supplies	715
Books for records and indexes	1,651
General telephone expense	1,620
Long-distance telephone expense	419
Total lump sum categories	<u>13,301</u>

Restricted budget categories:

Maintenance of court area(s)	1,740
Furniture and fixtures	1,480
Equipment purchases	8,327
Photocopy equipment maintenance	3,960
Maintenance of equipment	9,554
Part-time court clerk employees	8,632
Total restricted categories	<u>33,693</u>

NANCY LOUTHAN, COURT CLERK
DEWEY COUNTY, OKLAHOMA
COURT FUND ACCOUNT ANALYSIS
JUNE 30, 2002

Mandated categories:	
Law library	5,000
State Judicial Fund	<u>101,638</u>
Total mandated categories	<u>106,638</u>
Total deductions	<u>153,632</u>
Collections over (under) deductions	(4,135)
Beginning account balance July 1, 2001	<u>24,206</u>
Ending account balance June 30, 2002	<u><u>\$ 20,071</u></u>

**NANCY LOUTHAN, COURT CLERK
DEWEY COUNTY, OKLAHOMA
SCHEDULE OF FINDINGS AND RECOMMENDATIONS
JUNE 30, 2002**

Criteria: Good internal controls dictate that prenumbered duplicate receipts be issued for funds collected. Additionally, receipt numbers should not be reissued when a receipt is voided or cancelled.

Condition: Receipts are being voided due to wrong case number, wrong receipts date, wrong names, and the rewritten receipt is being given the same receipt number as the voided receipt.

Most of the voided receipts are due to not changing the date after the deposit has been completed during the day. These voided receipts are not reflected in the docket and are not actually a reprinted receipt.

Recommendation: We recommend voided or cancelled receipts be reissued with a new receipt number.

Additionally, as an internal control, the report entitled Receipt Change Log reflects all changes made to receipts including the reason, the date, and time of the change. We recommend the report be reviewed by the officer on a monthly basis to insure receipts were changed for legitimate purposes.

NANCY LOUTHAN
DEWEY COUNTY COURT CLERK
P.O. BOX 278
TALOGA, OKLAHOMA 73667
PH. 580-328-5521

Kelli Reasch
Deputy

Kathleen Hunter
Deputy

June 27, 2003

Office of the State Auditor and Inspector
Weatherford District Office
1401 Lera, Suite 9
Weatherford, OK 73096

Dear Ms. Merle,

In response to the reportable condition needing a written response, I appreciate your recommendation and I am now aware of the report that I will be able to run to monitor the conditions of receipts being voided and/or corrected.

I have discussed this issue with my deputies and I believe we are all more aware of the procedure and have the problem remedied.

Again I thank you and always appreciate your help.

Sincerely,



Nancy Louthan
Dewey County Court Clerk