

**ATOKA
COUNTY
COURT CLERK**

**FOR THE YEAR ENDED
JUNE 30, 2009**

**STATUTORY
REPORT**



Oklahoma State Auditor
& Inspector

**BARBARA HUNT, COURT CLERK
ATOKA COUNTY, OKLAHOMA
STATUTORY REPORT
FOR THE YEAR ENDED JUNE 30, 2009**

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STATE AUDITOR AND INSPECTOR

STEVE BURRAGE, CPA
State Auditor

MICHELLE R. DAY, ESQ.
Chief Deputy



2300 N. Lincoln Boulevard State Capitol, Room 100 Oklahoma City, OK 73105-4801 Phone (405) 521-3495 Fax (405) 521-3426 www.sai.ok.gov

September 8, 2010

Barbara Hunt, Court Clerk
Atoka County Courthouse
Atoka, Oklahoma 74525

Transmitted herewith is the statutory report for the Atoka County Court Clerk for the fiscal year ended June 30, 2009. 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 blue ink that reads "Steve Burrage".

STEVE BURRAGE, CPA
STATE AUDITOR & INSPECTOR

**BARBARA HUNT, COURT CLERK
ATOKA COUNTY, OKLAHOMA
STATUTORY REPORT
JUNE 30, 2009**

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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.

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Barbara Hunt, Court Clerk
Atoka County Courthouse
Atoka, Oklahoma 74525

Dear Ms. Hunt:

We have performed procedures for fiscal year 2009 activity of the Court Fund Account for the purpose of complying with 20 O.S. § 1312. We have also performed procedures for fiscal year 2009 activity of the Court Clerk Revolving Fund as created by 19 O.S. § 220.

- Test receipts issued to determine whether: (1) the correct fee was collected, and (2) the receipt was properly accounted for in the financial records.
- Test Court Fund vouchers 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.
- Test Court Clerk Revolving Fund vouchers to determine whether the expenditure: (1) was properly supported by a claim, invoice, and receiving documentation, and (2) was properly approved.
- Test District Court vouchers to determine whether they were properly accounted for and test supporting documentation for disbursements to determine whether the disbursements were issued in accordance with Court instructions.
- Determine whether Court Fund activity and/or balances reconcile to the County Treasurer's records.
- Determine whether the Court Clerk Revolving activity and/or balances reconcile to the County Treasurer's records.
- Determine whether the District Court case balances reconcile to the County Treasurer's depository ledger.

All information included in the reconciliations, the Court Fund appropriation ledger, the Court Clerk Revolving Fund, 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 Atoka County.

Based on the above reconciliations, tests, and procedures performed, and with respect to items tested, the Court Clerk was collecting the correct fees and properly accounting for them; Court Fund vouchers were properly supported, approved, classified, and did not exceed appropriations; Court Clerk Revolving Fund expenditures were properly supported and approved; District Court vouchers were properly accounted for and issued in accordance with Court instructions; Court Fund activity, Court Clerk Revolving Fund activity, and District Court case balances reconciled with the County Treasurer's records. However, we noted a matter of segregation of duties, and our finding is presented in the accompanying schedule of findings and responses.

We have included in this report the Court Fund Account Report, which was prepared from the Atoka County Court Clerk's quarterly reports, which were submitted to the Administrative Office of the Courts.

We have also included in this report the Court Clerk Revolving Fund Report, which was prepared by the Atoka County Court Clerk, which was submitted to the Administrative Office of the Courts.

This report is intended for the information and use of the Atoka 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,



STEVE BURRAGE, CPA
STATE AUDITOR & INSPECTOR

July 29, 2010

**BARBARA HUNT, COURT CLERK
ATOKA COUNTY, OKLAHOMA
COURT FUND ACCOUNT REPORT
JUNE 30, 2009**

Collections:

Court fund fines, fees, and forfeitures	\$	448,536
Cancelled vouchers		1,877
Interest earned on deposits		802
Total collections		451,215

Deductions:

Lump sum budget categories:

Juror expenses		12,241
Trial court attorneys		38,000
Transcripts preliminary		1,022
Transcripts appeals		2,877
General office supplies		6,966
Forms printing		545
Publications		189
Postage and freight		7,867
Court reporter supplies		1,407
Gas, water, and electricity		20,000
General telephone expenses		2,023
Long-distance telephone expense		406
Other expenses		180
Total lump sum categories		93,723

Restricted budget categories:

Renovation and remodeling		3,718
Maintenance of court area(s)		3,634
Furniture and fixtures		2,785
Equipment purchases		1,068
Equipment rentals		1,392
Maintenance of equipment		10,840
OCIS services		15,862
Photocopy equipment maintenance		1,520
Part-time court employees		79,039
Total restricted categories		119,858

**BARBARA HUNT, COURT CLERK
ATOKA COUNTY, OKLAHOMA
COURT FUND ACCOUNT REPORT
JUNE 30, 2009**

Mandated budget categories:	
Law library	7,000
State judicial fund	233,352
Total mandated categories	<u>240,352</u>
Total deductions	<u>453,933</u>
Collections over (under) deductions	(2,718)
Beginning account balance July 1, 2008	<u>81,503</u>
Ending account balance June 30, 2009	<u><u>\$ 78,785</u></u>

**BARBARA HUNT, COURT CLERK
ATOKA COUNTY, OKLAHOMA
COURT CLERK REVOLVING FUND REPORT
JUNE 30, 2009**

Collections:	
Court fund revolving fees	\$ 26,658
Total collections	<u>26,658</u>
Deductions:	
Court clerk revolving fund disbursements	<u>6,526</u>
Total deductions	<u>6,526</u>
Collections over (under) deductions	20,132
Beginning account balance July 1, 2008	<u>66,580</u>
Ending account balance June 30, 2009	<u><u>\$ 86,712</u></u>

Source: Atoka County Court Clerk's Revolving Fund Annual Report (for informational purposes only)

SCHEDULE OF FINDINGS AND RESPONSES

Finding 2009-1 – Segregation of Duties (Repeat Finding)

Criteria: Accountability and stewardship are overall goals of management in the accounting of funds. To help ensure a proper accounting of funds, key duties and responsibilities should be segregated among different individuals to reduce the risk of error or fraud. No one individual should have the ability to authorize transactions, have physical custody of property, and record transactions.

Condition: We noted a concentration of duties in regards to recording, authorization, custody, and execution of revenue transactions performed by a single employee:

- All employees write receipts.
- All employees work from the same cash drawer.
- All employees, in addition to receiving and issuing receipts, also issue permits, balance the cash drawer, prepare and make the deposit, post to ledger, and reconcile accounts with the Treasurer.

We noted a concentration of duties in regards to recording, authorization, custody, and execution of expenditure transactions performed by a single employee:

- Vouchers are signed by the Court Clerk, first and second deputy, and mailed and distributed. The Court Clerk and the first and second deputy perform all other duties related to disbursements (e.g. prepare vouchers, post vouchers to cash book, authorize purchases, prepare claims, and certify receipt of goods or services).

Effect: A single person having responsibility for more than one area of recording, authorization, custody of assets, and execution of transactions could result in unrecorded transactions, misstated financial reports, clerical errors, or misappropriation of funds not being detected in a timely manner.

Recommendation: OSAI recommends management be aware of these conditions and realize that concentration of duties and responsibilities in a limited number of individuals is not desired from a control point of view. The most effective controls lie in management's overseeing of office operations and a periodic review of operations.

Views of responsible officials and planned corrective actions: At this time we have limited resources and space. At this time we cannot implement the segregation of duties.

OSAI Response: In the event that segregation of duties is not possible due to limited personnel, OSAI recommends implementing compensating controls to mitigate the risks involved with a concentration of duties. Compensating controls would include separating key processes and/or critical functions of the office, and having management review and approval of accounting functions.



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