

**SANDY STROUD, COURT CLERK
BRYAN COUNTY, OKLAHOMA
STATUTORY REPORT
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

June 1, 2006

Sandy Stroud, Court Clerk
Bryan County, Oklahoma

Transmitted herewith is the statutory report for the Bryan County, Court Clerk, for the fiscal year ended June 30, 2005. 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 cursive script that reads "Jeff A. McMahan".

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

Sandy Stroud, Court Clerk
Bryan County Courthouse
Durant, Oklahoma 74701

Dear Ms. Stroud:

We have performed procedures for fiscal year 2005 activity of the Court Fund Account for the purpose of complying with 20 O.S. § 1312. We have also performed procedures for fiscal year 2005 activity of the Court Clerk Revolving Fund as created by 19 O.S. § 220.

- 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 Court Clerk Revolving Fund vouchers issued to determine whether the expenditure: (1) was properly supported by a claim, invoice, and receiving documentation, and (2) was properly approved.
- 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 Court Clerk Revolving 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 Court Clerk Revolving Fund, the monthly reports, and the cash receipts journal is the representation of the Court Clerk.

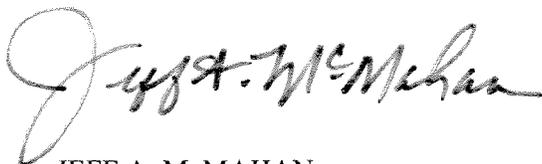
Our Court Clerk's engagement was limited to the procedures performed above and was less in scope than an audit performed in accordance with auditing standards generally accepted in the United States of America. Accordingly, we do not express an opinion on any general-purpose financial statements of Bryan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

Based on the above reconciliations, tests, and procedures performed; the Court Clerk is collecting the correct fees and properly accounting for them; Court Fund vouchers were properly supported and classified and did not exceed appropriations; Court Clerk Revolving Fund expenditures were properly supported; District Court vouchers were properly accounted for and issued in accordance with Court instructions; Court Fund activity, Court Clerk Revolving Fund financial records, and District Court case balances reconciled with the County Treasurer's records. With respect to the matters of segregation of duties, Court Fund vouchers being properly approved, and the Court Clerk Revolving Fund expenditures being properly approved, our findings are included in the schedule of findings and recommendations.

We have prepared detailed analysis of the Court Fund Account and of the Court Clerk Revolving Fund, which are presented following this report.

This report is intended for the information and use of the Bryan 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. McMahon". The signature is written in a cursive style with a large, looping initial "J".

JEFF A. McMAHAN
State Auditor and Inspector

April 10, 2006

SANDY STROUD, COURT CLERK
BRYAN COUNTY, OKLAHOMA
COURT FUND ACCOUNT ANALYSIS
JUNE 30, 2005

Collections:

Court fund fines, fees, and forfeitures	\$ 1,019,433
Interest earned on deposits	640
Cancelled vouchers	185
Total collections	1,020,258

Deductions:

Lump sum budget categories:

Juror expenses	28,732
Defense witness	915
Trial court attorneys	72,430
Mental health attorney	3,883
Physician fees mental health	300
Transcripts-preliminary and trial	10,348
Transcripts-appeals	14,847
Out-of-state sheriff	40
General office supplies	11,293
Forms for printing	3,043
Books for records and indexes	42,708
Postage and freight	14,220
Court reporter supplies	4,628
Gas, water, and electricity	3,687
General telephone expenses	3,183
Long-distance telephone expense	355
Other expenses	2,696
Total lump sum categories	217,308

Restricted budget categories:

Maintenance of court area(s)	5,169
Furniture and fixtures	719
Equipment purchases	10,080
Equipment rentals	5,280
Maintenance of equipment	18,127
O.C.I.S. services	26,437
Photocopy equipment maintenance	5,867
Per-diem court reporter	115
Part-time court employees	213,992
Total restricted categories	285,786

**SANDY STROUD, COURT CLERK
BRYAN COUNTY, OKLAHOMA
COURT FUND ACCOUNT ANALYSIS
JUNE 30, 2005**

Mandated budget categories:	
Law library	9,000
State judicial fund	<u>538,216</u>
Total mandated categories	<u>547,216</u>
Total deductions	<u>1,050,310</u>
Collections over (under) deductions	(30,052)
Beginning account balance July 1, 2004	<u>218,139</u>
Ending account balance June 30, 2005	<u><u>\$ 188,087</u></u>

**SANDY STROUD, COURT CLERK
BRYAN COUNTY, OKLAHOMA
COURT CLERK REVOLVING FUND ANALYSIS
JUNE 30, 2005**

Beginning balance	\$ 62,667
Collections	65,987
Disbursements	<u>65,335</u>
Ending account balance	<u>\$ 63,319</u>

**SANDY STROUD, COURT CLERK
BRYAN COUNTY, OKLAHOMA
SCHEDULE OF FINDINGS AND RECOMMENDATIONS
JUNE 30, 2005**

Finding 2005-1 – Segregation of Duties (Repeat Finding)

Criteria: Segregation of duties over asset custody, transaction authorization, bookkeeping and reconciliation is an important element of effective internal control over government assets and resources.

Condition: The limited number of office personnel within the Court Clerk's office prevents a proper segregation of accounting functions, which is necessary to assure adequate internal control structure.

Recommendation: We recommend management be aware of this condition and realize that concentration of duties and responsibilities in a limited number of individuals is not desired from a control point of view. Under these conditions, the most effective controls lie in management's knowledge of office operations and a periodic review of operations.

Views of responsible officials and planned corrective actions: We concur with the State Auditor's findings. The Court Clerk does have knowledge of office operations and will perform a periodic review of these operations.

Finding 2005-2 – Court Fund Claims

Criteria: Title 20 O.S. § 1304 states that payment of court fund expenses "...may be made after the claim is approved by the district judge who is a member of the governing board of the court fund and either the local court clerk or the local associate district judge who is a member of the governing board." Title 19 O.S. § 220 states that payment of revolving fund expense "...may be made after the claim is approved by the court clerk and either the district or the associate district judge of that county."

Condition: Forty-eight court fund claims and two revolving fund claims were not properly authorized by the majority of the Court Fund Board.

Recommendation: We recommend that all court fund claims be paid only after being properly authorized by the district judge and either the local Court Clerk or the local associate district judge who is a member of the governing board. We recommend that revolving fund claims be paid only after being properly authorized by the Court Clerk and either the district or associate district judge.

Views of responsible officials and planned corrective actions: We concur with the State Auditor's findings. We will work to ensure that claims are properly authorized in accordance with state statutes.

Finding 2005-3 – Court Clerk Compensation

Criteria: Title 19 O.S. § 180.62.B. states, "The board of county commissioners shall set the salaries for all elected county officials within the limits allowed by law." Title 19 O.S. § 180.67 states, "It is hereby declared to be the intent of the legislature that this act shall be the comprehensive salary code for all

**SANDY STROUD, COURT CLERK
BRYAN COUNTY, OKLAHOMA
SCHEDULE OF FINDINGS AND RECOMMENDATIONS
JUNE 30, 2005**

counties of the state and no county officer in paragraph 1 Section 180.61 of this title...shall receive any salary or wages except as provided in this act. Also, Attorney General Opinion 96-14 states in part "...the salaries of all Class 1 county officers must be equal."

Condition: The Court Clerk was compensated \$599 during the fiscal year for janitorial services rendered.

Recommendation: We recommend that the Court Clerk comply with state statutes regarding compensation for county officials.

Views of responsible officials and planned corrective actions: We concur with the State Auditor's findings. We will correct this situation immediately.