JIMMY WALKER, COURT CLERK
CHOCTAW COUNTY, OKLAHOMA
STATUTORY REPORT
FOR THE YEAR ENDED JUNE 30, 2004

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STATE OF OKLAHOMA
OFFICE OF THE AUDITOR AND INSPECTOR

JEFF A. McMAHAN
State Auditor and Inspector

January 26, 2005

Jimmy Walker, Court Clerk
Choctaw County, Oklahoma

Transmitted herewith is the statutory report for the Choctaw County, Court Clerk, for the fiscal year ended June 30, 2004. 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,

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

Jimmy Walker, Court Clerk
Choctaw County Courthouse
Hugo, Oklahoma 74743

Dear Ms. Walker:

We have performed procedures for fiscal year 2004 activity of the Court Fund Account for the purpose of complying with 20 O.S. § 1312. We have also performed procedures for fiscal year 2004 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 Choctaw 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 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 Court Clerk properly accounting for receipts, Court Clerk Revolving Fund expenditures being properly supported and approved, and the matter of segregation of duties, our findings are included in the schedule of findings and recommendations.

We have prepared a 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 Choctaw 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,

Jeff A. McMahan

JEFF A. McMAHAN
State Auditor and Inspector

November 16, 2004

JIMMY WALKER, COURT CLERK
CHOCTAW COUNTY, OKLAHOMA
COURT FUND ACCOUNT ANALYSIS
JUNE 30, 2004

Collections:	
Court fund fines, fees, and forfeitures	$ 308,677
Interest earned on deposit	309
Cancelled vouchers	151
Total collections	309,137
Deductions:	
Lump sum budget categories:	
Juror expenses	19,147
Trial court attorneys	20,543
Transcripts-preliminary & trial	7,649
Transcripts-appeals	374
General office supplies	7,637
Forms for printing	202
Publications	161
Books for records and indexes	1,058
Postage and freight	5,000
Court reporter supplies	1,957
General telephone expense	2,965
Long-distance telephone expenses	1,572
Total lump sum categories	68,265
Restricted budget categories:	
Maintenance of court area(s)	1,668
Equipment purchases	14,105
Equipment rentals	716
Maintenance of equipment	432
O.C.I.S. services	18,947
Photocopy equipment maintenance	2,315
Part-time bailiffs	533
Part-time court clerk employees	96,742
Total restricted categories	135,458

Mandated budget categories:	
Law library	7,000
State Judicial Fund	78,397
Total mandated categories	85,397
Total deductions	289,120
Collections over (under) deductions	20,017
Beginning account balance July 1, 2003	35,445
Ending account balance June 30, 2004	$ 55,462

COURT CLERK REVOLVING FUND ANALYSIS
JUNE 30, 2004

Beginning balance	$ 9,355
Collections	14,847
Disbursements	13,151
Ending account balance	$ 11,051

Finding 2004-1 - 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.

Management's Response: We concur with the auditor's findings. The Court Clerk does have knowledge of office operations and will perform a periodic review of these operations.

Finding 2004-2 - Duplicate Receipt Numbers

Criteria: Effective internal controls include that receipts be issued in sequential order for all monies received. Also, duplicate receipt numbers should not be issued.

Condition: The Court Clerk's computer system allows the deputy access to reissue a receipt with the same number.

Recommendation: We recommend that the Court Clerk's computer system be modified with controls that prevent the reissuing of receipt numbers. We further recommend that receipts requiring changes to the dollar amount be properly voided and a new receipt issued.

Management's Response: We concur with the auditor's findings and are implementing procedures to correct this problem.

Finding 2004-3 - Court Clerk Revolving Fund Expenditures (Repeat Finding)

Criteria: Title 19 O.S. 2001, 220 states, "All monies accruing to the credit of the fund are hereby appropriated and shall be expended by the Court Clerk for lawful operation of the Court Clerk's office."

Condition: Expenditures were incurred for various items including gifts. Also, the District or Associate District Judge did not approve all claims.

Recommendation: We recommend the Court Clerk refrain from purchasing any items that are not necessary for the lawful operation of the Court Clerk's office. Also, the Court Clerk and either the District Judge or Associate District Judge should approve all Court Clerk Revolving Fund claims.

Management's Response: Management concurs with this finding. Expenditures from the Court Clerk Revolving Fund will be made only for lawful expenditures of the office.