

**DONA FOLKS, COURT CLERK
ELLIS COUNTY, OKLAHOMA
STATUTORY REPORT
FOR THE YEAR ENDED JUNE 30, 2003**

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STATE OF OKLAHOMA
OFFICE OF THE AUDITOR AND INSPECTOR

JEFF A. McMAHAN
State Auditor and Inspector

July 23, 2004

Dona Folks, Court Clerk
Ellis County, Oklahoma

Transmitted herewith is the statutory report for the Ellis County, Court Clerk, for the fiscal year ended June 30, 2003. 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. McMahan".

JEFF A. McMAHAN
State Auditor and Inspector

TABLE OF CONTENTS

Introductory Information.....ii

Statutory Report of State Auditor and Inspector 1

Court Fund Account Analysis 3

Court Clerk Revolving Fund Analysis 4

Schedule of Findings and Recommendations 5

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

Dona Folks, Court Clerk
Ellis County Courthouse
Arnett, Oklahoma 73832

Dear Ms. Folks:

We have performed procedures for fiscal year 2003 activity of the Court Fund Account for the purpose of complying with 20 O.S. § 1312. We have also performed procedures for fiscal year 2003 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 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 Ellis County.

Based on the above reconciliations, tests, and procedures performed; the Court Clerk is collecting the correct fees and is properly accounting for them; Court Fund vouchers were properly supported, approved, classified, and did not exceed appropriations; District Court vouchers were 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 matter of segregation of duties, our finding is 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 Ellis 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

June 3, 2004

**DONA FOLKS, COURT CLERK
ELLIS COUNTY, OKLAHOMA
COURT FUND ACCOUNT ANALYSIS
JUNE 30, 2003**

Collections:	
Court fund fines, fees, and forfeitures	\$ 80,623
Cancelled vouchers	18,743
Interest earned on deposit	433
Total collections	99,799
Deductions:	
Lump sum budget categories:	
Juror expenses	1,925
Trial court attorneys	1,400
Transcripts - preliminary and trial	599
General office supplies	1,466
Postage and freight	678
Gas, water, and electricity	6,049
General telephone expense	1,571
Long-distance telephone expense	843
Total lump sum categories	14,531
Restricted budget categories:	
Renovation and remodeling	2,397
Photocopy equipment rental	908
Photocopy equipment maintenance	75
Part-time bailiffs	95
Total restricted categories	3,475
Mandated categories:	
State judicial fund	60,831
Total mandated categories	60,831
Total deductions	78,837
Collections over (under) deductions	20,962
Beginning account balance July 1, 2002	28,322
Ending account balance June 30, 2003	\$ 49,284

**DONA FOLKS, COURT CLERK
ELLIS COUNTY, OKLAHOMA
COURT CLERK REVOLVING FUND ANALYSIS
JUNE 30, 2003**

Collections:	
Court fund revolving fees	\$ 2,525
Interest earned on deposit	<u>66</u>
Total collections	<u>2,591</u>
Deductions:	
Books for records	
Office supplies	
Equipment rentals	
Maintenance of courtroom	
Total deductions	<u>-</u>
Collections over (under) deductions	2,591
Beginning account balance	<u>5,126</u>
Ending account balance	<u><u>\$ 7,717</u></u>

**DONA FOLKS, COURT CLERK
ELLIS COUNTY, OKLAHOMA
SCHEDULE OF FINDINGS AND RECOMMENDATIONS
JUNE 30, 2003**

Finding - Segregation of Duties

Criteria: Effective internal controls require that the various duties of processing cash receipts and cash disbursements be segregated from the related duties of reviewing cash receipts and disbursements, posting bookkeeping records and reconciling balances.

Condition: Due to the limited number of employees in these offices, there are individuals who are primarily responsible for all or most of the collection, receipting, balancing, depositing and reporting of collections and/or who are primarily responsible for all or most of the calculating, reviewing, approving, disbursing and reporting of disbursements from official depository accounts.

Recommendation: We recommend management be aware of this condition and the possibility of weakened internal controls when all collection and disbursement activity are the responsibility of one or two employees. Although, it is not feasible to divide these duties to the extent described above, it is desirable to review transactions and cross train employees to perform various duties, and then periodically change the division of the duties. This would provide some level of segregation of duties and increase the possibility for the detection of irregularities.

Management's Response: Due to the budget constraints in the Ellis County Court Clerk's Office, there is an unlikely possibility that this segregation of duties issue can be rectified. The Court Clerk is aware of this limitation.