

**PHYLLIS DENNEY, COURT CLERK  
GREER COUNTY, OKLAHOMA  
STATUTORY REPORT  
FOR THE YEAR ENDED JUNE 30, 2006**

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STATE OF OKLAHOMA  
OFFICE OF THE AUDITOR AND INSPECTOR

JEFF A. McMAHAN  
State Auditor and Inspector

January 25, 2008

Phyllis Denney, Court Clerk  
Greer County, Oklahoma

Transmitted herewith is the statutory report for the Greer County, Court Clerk, for the fiscal year ended June 30, 2006. 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 "Michelle R. Day".

MICHELLE R. DAY, Esq.  
Deputy 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

Phyllis Denney, Court Clerk  
Greer County Courthouse  
Mangum, Oklahoma 73554

Dear Ms. Denney:

We have performed procedures for fiscal year 2006 activity of the Court Fund Account for the purpose of complying with 20 O.S. § 1312. We have also performed procedures for fiscal year 2006 activity of the Court Clerk Revolving Fund as created by 19 O.S. § 220.

- 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.
- Test 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 Greer County.

Based on the above reconciliations, tests, and procedures performed; Court Fund vouchers were properly supported, approved, 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 collection and proper accounting of fees; Court Clerk Revolving Fund expenditures being properly approved; and reporting of cancelled vouchers, our findings are noted in the schedule of findings and responses.

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 Greer 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 "Michelle R. Day". The signature is written in a cursive style with a large initial "M".

MICHELLE R. DAY, Esq.  
Deputy State Auditor and Inspector

November 27, 2007

**PHYLLIS DENNEY, COURT CLERK  
GREER COUNTY, OKLAHOMA  
COURT FUND ACCOUNT ANALYSIS  
JUNE 30, 2006**

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Collections:	
Court fund fines, fees, and forfeitures	\$ 185,064
Interest earned on deposits	410
Total collections	<u>185,474</u>
Deductions:	
Lump sum budget categories:	
Juror expenses	8,166
Trial court attorneys	3,360
Mental health (attorneys)	850
Transcripts - preliminary & trial	357
General office supplies	4,835
Forms printing	125
Books for records and indexes	380
Postage and freight	350
Court reporter supplies	390
General telephone expense	2,130
Long-distance telephone expense	248
Other expenses (robes, etc.)	367
Total lump sum categories	<u>21,558</u>
Restricted budget categories:	
Maintenance of court area(s)	202
Equipment rentals	1,188
Maintenance of equipment	8,211
OCIS services	15,120
Photocopy equipment rental	2,100
Part-time court clerk employees	84,954
Total restricted categories	<u>111,775</u>
Mandated categories:	
Law library	5,000
State judicial fund	53,502
Total mandated categories	<u>58,502</u>
Total deductions	<u>191,835</u>
Collections over (under) deductions	(6,361)
Cancelled vouchers	1,140
Beginning account balance	15,639
Ending account balance	<u>\$ 10,418</u>

**PHYLLIS DENNEY, COURT CLERK  
GREER COUNTY, OKLAHOMA  
COURT CLERK REVOLVING FUND ANALYSIS  
JUNE 30, 2006**

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Collections:	
Court fund revolving fees	\$ 7,404
Total collections	<u>7,404</u>
Deductions:	
Transfer to cash fund	<u>2,652</u>
Total deductions	<u>2,652</u>
Collections over (under) deductions	4,752
Adjusted beginning account balance	<u>4,301</u>
Ending account balance	<u><u>\$ 9,053</u></u>

PHYLLIS DENNEY, COURT CLERK  
GREER COUNTY, OKLAHOMA  
SCHEDULE OF FINDINGS AND RESPONSES  
JUNE 30, 2006

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**Finding 2006-1—Complete and Accurate Accounting System**

Criteria: Good accounting practices and effective internal controls require that the entity's computer software programs be used as designed and implemented.

Condition: The Court Clerk has not utilized the Kellpro system's monthly distribution summary to report and distribute fees collected to the various county funds and state agencies for which the Court Clerk makes collections. Instead, an EXCEL spreadsheet has been used to prepare the end of month reports. The present use of EXCEL spreadsheets is a continuation of the former Court Clerk's manual spreadsheet records. The spreadsheet based monthly reports do not agree with the actual cash collections being recorded and reported by the Kellpro system.

Cause: The Court Clerk indicated the monthly distribution summary feature of the Kellpro system had never been turned on due to some older manual record case balances that had not been adequately identified and included on the Kellpro system by the previous Court Clerk.

Effect: Not using the Kellpro system as designed has resulted in significant delays in the distribution of fees due to state agencies, including such agencies as the Judicial Retirement Fund, the Department of Public Safety, the OSBI and others. As of the date of fieldwork, in a considerable number of court cases and traffic tickets, funds that have been collected and have been on deposit with the County Treasurer for years (in some cases) still has not been distributed to the appropriate agency.

Recommendation: We recommend the Court Clerk implement the Kellpro monthly distribution summary report, as designed, in order to facilitate the timely distribution of current collections. In addition, the backlog of undistributed collections in older court docket cash balances should be researched and distributed to the appropriate agencies, as time permits.

Views of responsible officials and planned corrective actions: Beginning November 2007, the Court Clerk is using the automated system for all case types with the exception of traffic, misdemeanor and felony. They are being paid manually until old case balances can be resolved.

**Finding 2006-2—Reporting Cancelled Vouchers**

Criteria: Effective internal controls to provide accurate accounting records require that cancelled vouchers be recorded as cancelled rather than receipted as income.

Condition: The Court Clerk's computer system (Kellpro System) reports cancelled vouchers as cancelled; however, the Court Clerk manually receipts cancelled vouchers back into the case. Ten vouchers were cancelled in the case (FD-1997-42). The Court Clerk reflected these vouchers as receipted back in the case as a lump sum instead of showing these as cancelled. The Court Clerk did not mark these vouchers as cancelled on the original vouchers.

**PHYLLIS DENNEY, COURT CLERK  
GREER COUNTY, OKLAHOMA  
SCHEDULE OF FINDINGS AND RESPONSES  
JUNE 30, 2006**

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Effect: The internal controls were overridden in the computer system.

Recommendation: We recommend the Court Clerk input cancelled vouchers as cancelled on the docket instead of showing them as receipted back in the case. We also recommend the Court Clerk mark these as cancelled on the original voucher.

Views of responsible officials and planned corrective actions: The Court Clerk had to put "void" on cancelled vouchers in order for the computer system to reflect vouchers as cancelled.

**Finding 2006-3—Cancelled Vouchers and Voided Vouchers**

Criteria: Title 62 O.S. § 488 requires that vouchers that have been registered with the Treasurer be cancelled instead of voided. Additionally, the Kellpro manual describes the proper procedures for vouchers to be voided, including vouchers being registered with the Treasurer at the time they are issued.

Condition: The audit of cancelled vouchers revealed the following exceptions:

1. Four exceptions were noted where the Treasurer posted vouchers as "cancelled" but the Court Clerk posted them as voided.
2. Four exceptions were noted in which the Court Clerk did not reflect vouchers as voided in the system, but they were reflected as voided on the Treasurer's records and the original voucher.
3. Four exceptions were noted in which vouchers were voided on the system; however, the amount remained reflected on the system.
4. One exception was noted in which the Court Clerk issued voucher number 3773 to the Law Library in the amount of \$477.00 on June 28, 2006, but did not register until July 28, 2006.

Effect: Internal controls are compromised and the accuracy of records is jeopardized.

Recommendation: We recommend the Court Clerk cancel vouchers that have been registered with the Treasurer. We further recommend the Court Clerk register vouchers with the Treasurer at the time the voucher is issued to provide effective internal controls over accounting for disbursements in accordance with 62 O.S. § 488.

Views of responsible officials and planned corrective actions: The Court Clerk is aware of these errors and now checks activity on a current basis to reconcile bookkeeping to computer records.

**PHYLLIS DENNEY, COURT CLERK  
GREER COUNTY, OKLAHOMA  
SCHEDULE OF FINDINGS AND RESPONSES  
JUNE 30, 2006**

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**Finding 2006-4—Court Clerk Revolving Fund Claims**

Criteria: In accordance with 19 O.S. 220 which states in part, “Claims against the fund shall include only expenses incurred for the operation of the court clerk’s office in each county, and payment 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: Out of the four revolving claims tested, two exceptions were noted where claims were not approved by the district or the associate district judge in addition to the Court Clerk of the County.

Effect: Proper approvals ensure disbursements are valid.

Recommendation: We recommend that court clerk revolving claims be approved by the Court Clerk and either the district or associate district judge of the County in accordance with 19 O.S. § 220.

Views of responsible officials and planned corrective actions: The Court Clerk will make sure that either the district or the associate district judge signs each claim prior to disbursement.

**Finding 2006-5—Marriage Ceremony Fees**

Criteria: Title 28 O.S. § 56 states, “When a marriage is to be performed by any judge, the court clerk of the county where the marriage is performed shall collect a fee of Ten Dollars (\$10.00), in addition to the fee provided for in Section 31 of this title for every marriage ceremony so performed, which fee shall be deposited in the court fund.

Condition: The test of marriage licenses revealed three exceptions in which the Associate District Judge had performed a ceremony and the ten-dollar fee was not deposited in the case.

Effect: Fees may not be collected as per statute.

Recommendation: We recommend the Court Clerk collect the ten dollar fee for a Judge performing a ceremony in accordance with 28 O.S. § 56.

Views of responsible officials and planned corrective actions: The Court Clerk now reflects the judges’ fee as part of the marriage license fee, rather than depositing it in miscellaneous fees.



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