

**STACY MACIAS, COURT CLERK
HARMON 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

Stacy Macias, Court Clerk
Harmon County, Oklahoma

Transmitted herewith is the statutory report for the Harmon 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

Stacy Macias, Court Clerk
Harmon County Courthouse
Hollis, Oklahoma 73550

Dear Ms. Macias:

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 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 Harmon 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; 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 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 presented 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 Harmon 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. McMAHAN". The signature is written in a cursive style with a large, looping initial "J".

JEFF A. McMAHAN
State Auditor and Inspector

April 25, 2006

STACY MACIAS, COURT CLERK
HARMON COUNTY, OKLAHOMA
COURT FUND ACCOUNT ANALYSIS
JUNE 30, 2005

Collections:	
Court fund fines, fees, and forfeitures	\$ 66,000
Interest earned on deposit	128
Total collections	66,128
Deductions:	
Lump sum budget categories:	
Trial court attorneys	738
Transcripts - preliminary & trial	81
General office supplies	1,982
Postage and freight	711
Court reporter supplies	67
Gas, water & electricity	5,048
General telephone expense	2,614
Long-distance telephone expense	460
Other expenses	75
Total lump sum categories	11,776
Restricted budget categories:	
Maintenance of equipment	3,096
OCIS services	5,652
Photocopy equipment rental & maintenance	5,156
Court clerk employees	138
Total restricted categories	14,042
Mandated categories:	
Law library	5,000
State judicial fund	43,854
Total mandated categories	48,854
Total deductions	74,672
Collections over (under) deductions	(8,544)
Beginning account balance	12,963
Ending account balance	\$ 4,419

**STACY MACIAS, COURT CLERK
HARMON COUNTY, OKLAHOMA
COURT CLERK REVOLVING FUND ANALYSIS
JUNE 30, 2005**

Collections:	
Court fund revolving fees	\$ 3,143
Total collections	<u>3,143</u>
Deductions:	
Disbursements	<u>1,036</u>
Total deductions	<u>1,036</u>
Collections over (under) deductions	2,107
Beginning account balance	<u>1,127</u>
Ending account balance	<u><u>\$ 3,234</u></u>

**STACY MACIAS, COURT CLERK
HARMON COUNTY, OKLAHOMA
SCHEDULE OF FINDINGS AND RECOMMENDATIONS
JUNE 30, 2005**

Finding – Segregation of Duties (Repeat Finding)

Criteria: Effective internal controls include employees who process cash transactions be segregated from the duties of depositing funds, posting bookkeeping records, and reconciling reports of collection activity.

Condition: Based on inquiries and observation of the Court Clerk's office, it was noted that the duties of receiving, receipting, recording and depositing collections were not adequately segregated.

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

Views of responsible officials and planned corrective actions: The Court Clerk is aware of this situation and will conduct periodic reviews of the deputy's duties and responsibilities.