

**LATIMER
COUNTY
COURT CLERK**

**FOR THE YEAR ENDED
JUNE 30, 2009**

**STATUTORY
REPORT**



Oklahoma State Auditor
& Inspector

**MELODY LITTLEJOHN, COURT CLERK
LATIMER COUNTY, OKLAHOMA
STATUTORY REPORT
FOR THE YEAR ENDED JUNE 30, 2009**

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STATE AUDITOR AND INSPECTOR

STEVE BURRAGE, CPA
State Auditor

MICHELLE R. DAY, ESQ.
Chief Deputy



2300 N. Lincoln Boulevard State Capitol, Room 100 Oklahoma City, OK 73105-4801 Phone (405) 521-3495 Fax (405) 521-3426 www.sai.ok.gov

September 28, 2010

Melody Littlejohn, Court Clerk
Latimer County Courthouse
Wilburton, Oklahoma 74578

Transmitted herewith is the statutory report for the Latimer County Court Clerk for the fiscal year ended June 30, 2009. 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 blue ink that reads "Steve Burrage". The signature is written in a cursive, flowing style.

STEVE BURRAGE, CPA
STATE AUDITOR & INSPECTOR

**MELODY LITTLEJOHN, COURT CLERK
LATIMER COUNTY, OKLAHOMA
STATUTORY REPORT
JUNE 30, 2009**

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**MELODY LITTLEJOHN, COURT CLERK
LATIMER COUNTY, OKLAHOMA
STATUTORY REPORT
JUNE 30, 2009**

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.

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Melody Littlejohn, Court Clerk
Latimer County Courthouse
Wilburton, Oklahoma 74578

Dear Ms. Littlejohn:

We have performed procedures for fiscal year 2009 activity of the Court Fund Account for the purpose of complying with 20 O.S. § 1312. We have also performed procedures for fiscal year 2009 activity of the Court Clerk Revolving Fund as created by 19 O.S. § 220.

- Test receipts issued to determine whether: (1) the correct fee was collected, and (2) the receipt was properly accounted for in the financial records.
- 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.

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 Latimer County.

Based on the above reconciliations, tests, and procedures performed, with respect to the items tested, the Court Clerk was collecting the correct fees and 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. However, with respect to a matter of segregation of duties, our finding is presented in the schedule of findings and responses.

We have included in this report the Court Fund Account Report, which was prepared from the Latimer County Court Clerk's quarterly reports, which were submitted to the Administrative Office of the Courts.

We have also included in this report the Court Clerk Revolving Fund Report, which was prepared by the Latimer County Court Clerk, which was submitted to the Administrative Office of the Courts.

This report is intended for the information and use of the Latimer 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,



STEVE BURRAGE, CPA
STATE AUDITOR & INSPECTOR

July 29, 2010

**MELODY LITTLEJOHN, COURT CLERK
LATIMER COUNTY, OKLAHOMA
COURT FUND ACCOUNT REPORT
JUNE 30, 2009**

Collections:	
Court fund fines, fees, and forfeitures	\$ 344,604
Canceled vouchers	175
Total collections	344,779
Deductions:	
Lump sum budget categories:	
Juror expenses	12,986
Trial court attorneys	7,949
Mental health attorneys	363
Guardianship ad litem fees	731
Transcripts preliminary and trial	948
Transcripts appeals	539
General office supplies	8,400
Forms printing	468
Postage and freight	5,500
Court reporter supplies	499
General telephone expenses	3,542
Long-distance telephone expense	1,879
Total lump sum categories	43,804
Restricted budget categories:	
Maintenance of court areas	95
Security for court areas	224
Furniture and fixtures	1,400
Equipment purchases	1,608
Equipment rentals	1,697
Maintenance of equipment	11,963
OCIS services	15,862
Photocopy equipment rentals	2,480
Photocopy equipment maintenance	1,046
Part-time bailiffs	7,549
Part-time court employees	130,404
Total restricted categories	174,328
Mandated budget categories:	
Law library	7,000
State judicial fund	107,942
Total mandated categories	114,942
Total deductions	333,074
Collections over (under) deductions	11,705
Beginning account balance July 1, 2008	87,509
Ending account balance June 30, 2009	\$ 99,214

Source: Latimer County Court Clerk's Court Fund Quarterly Reports (for informational purposes only)

**MELODY LITTLEJOHN, COURT CLERK
LATIMER COUNTY, OKLAHOMA
COURT CLERK REVOLVING FUND REPORT
JUNE 30, 2009**

Collections:	
Court clerk revolving fund fees	<u>\$ 28,072</u>
Total collections	<u>28,072</u>
Deductions:	
Court clerk revolving fund disbursements	<u>3,787</u>
Total deductions	<u>3,787</u>
Collections over (under) deductions	24,285
Beginning account balance July 1, 2008	<u>93,224</u>
Ending account balance June 30, 2009	<u>\$ 117,509</u>

Source: Latimer County Court Clerk's Revolving Fund Annual Report (for informational purposes only)

**MELODY LITTLEJOHN, COURT CLERK
LATIMER COUNTY, OKLAHOMA
SCHEDULE OF FINDINGS AND RESPONSES
JUNE 30, 2009**

Finding 2009-1 – Segregation of Duties (Repeat Finding)

Criteria: Accountability and stewardship are overall goals of management in the accounting of funds. To help ensure a proper accounting of funds, key duties and responsibilities should be segregated among different individuals to reduce the risk of error or fraud. No one individual should have the ability to authorize transactions, have physical custody of assets, and record transactions.

Condition: We noted instances in which a single person could be responsible for the recording, authorization, custody, and execution of revenue transactions. The following are concerns we noted:

- There are seven full-time employees in the Court Clerk's office, including the Court Clerk. All employees work out of the same cash drawer.
- The first deputy balances the cash drawer, prepares official depository tickets, takes the deposit to the Treasurer, posts daily receipts to the cash book, and reconciles the account balance with the Treasurer.

Effect: A single person having responsibility for more than one area of recording, authorization, custody of assets, and execution of transactions could result in unrecorded transactions, misstated financial reports, clerical errors, or misappropriation of funds not being detected in a timely manner.

Recommendation: OSAI recommends management be aware of these conditions and realize that concentration of duties and responsibilities in a limited number of individuals is not desired from a control point of view. The most effective controls lie in management's overseeing of office operations and a periodic review of operations. Regarding the receipting process, OSAI recommends management establish separate cash drawers for each employee that receipts monies. The cash drawer should be closed out, reconciled to the employees daily receipts, and be approved by someone independent of the cash drawer.

Views of responsible officials and planned corrective actions: My first deputy and I are usually the two who perform the tasks of balancing and depositing. She is a great employee with over 20 years in office. I do sit across from her and see her work on and off the computer. In the past, we were told to try and keep as few people as possible doing checks and receipts, etc. Since this audit, I have lost two employees.

OSAI Response: Although it is difficult to adequately segregate duties when each office has limited personnel, separating key processes and involvement of management in the review and approval of information would serve as compensating controls.



**OFFICE OF THE STATE AUDITOR AND INSPECTOR
2300 N. LINCOLN BOULEVARD, ROOM 100
OKLAHOMA CITY, OK 73105-4896**

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