

STATUTORY REPORT

# LATIMER COUNTY COURT CLERK

For the year ended June 30, 2010



*Independently serving the citizens of  
Oklahoma by promoting the  
accountability and fiscal integrity of  
governmental funds.*



Oklahoma State  
Auditor & Inspector  
Gary A. Jones, CPA, CFE

**MELODY LITTLEJOHN, COURT CLERK  
LATIMER COUNTY, OKLAHOMA  
STATUTORY REPORT  
FOR THE YEAR ENDED JUNE 30, 2010**

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This publication, issued by the Oklahoma State Auditor and Inspector's Office as authorized by 20 O.S. § 1312, has not been printed, but is available on the agency's website ([www.sai.ok.gov](http://www.sai.ok.gov)) and in the Oklahoma Department of Libraries Publications Clearinghouse Digital Collection, pursuant to 74 O.S. § 3105.B.



# Oklahoma State Auditor & Inspector

2300 N. Lincoln Blvd. • State Capitol, Room 100 • Oklahoma City, OK 73105 • Phone: 405.521.3495 • Fax: 405.521.3426

March 18, 2011

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, 2010. 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 "Gary A. Jones". The signature is written in a cursive style with a large, sweeping flourish at the end.

GARY A. JONES, CPA, CFE  
OKLAHOMA STATE AUDITOR & INSPECTOR

**MELODY LITTLEJOHN, COURT CLERK  
LATIMER COUNTY, OKLAHOMA  
STATUTORY REPORT  
JUNE 30, 2010**

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**MELODY LITTLEJOHN, COURT CLERK  
LATIMER COUNTY, OKLAHOMA  
STATUTORY REPORT  
JUNE 30, 2010**

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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.



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

Dear Ms. Littlejohn:

We have performed procedures for fiscal year 2010 activity of the Court Fund Account for the purpose of complying with 20 O.S. § 1312. We have also performed procedures for fiscal year 2010 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, and with respect to 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 activity, 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 accompanying 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.

A handwritten signature in blue ink, appearing to read "Gary A. Jones". The signature is fluid and cursive, with a long horizontal stroke at the end.

GARY A. JONES, CPA, CFE  
OKLAHOMA STATE AUDITOR & INSPECTOR

February 16, 2011

**MELODY LITTLEJOHN, COURT CLERK  
LATIMER COUNTY, OKLAHOMA  
COURT FUND ACCOUNT REPORT  
JUNE 30, 2010**

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Collections:

Court fund fines, fees, and forfeitures	\$ 371,956
Cancelled vouchers	500
Total collections	372,456

Deductions:

Lump sum budget categories:

Juror expenses	10,712
Trial court attorneys	10,403
Mental health attorneys	488
Guardian ad litem fees	316
Transcripts preliminary	420
Transcripts appeals	2,996
Court computer training	1,172
General office supplies	2,827
Postage and freight	1,000
Court reporter supplies	500
General telephone expenses	3,915
Long-distance telephone expense	2,041
Other expenses	316
Total lump sum categories	37,106

Restricted budget categories:

Maintenance of courtroom	77
Equipment purchases	1,223
Equipment rental	1,852
Maintenance of equipment	11,562
OCIS services	15,862
Part-time bailiffs	492
Part-time court employees	68,033
Total restricted categories	99,101

**MELODY LITTLEJOHN, COURT CLERK  
LATIMER COUNTY, OKLAHOMA  
COURT FUND ACCOUNT REPORT  
JUNE 30, 2010**

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Mandated budget categories:	
Law library	7,000
State judicial fund	<u>206,929</u>
Total mandated categories	<u>213,929</u>
Total deductions	<u>350,136</u>
Collections over (under) deductions	22,320
Beginning account balance July 1, 2009	<u>99,214</u>
Ending account balance June 30, 2010	<u><u>\$ 121,534</u></u>

*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, 2010**

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Collections:	
Court fund revolving fees	\$ 31,910
Total collections	<u>31,910</u>
Deductions:	
Court clerk revolving fund disbursements	<u>21,620</u>
Total deductions	<u>21,620</u>
Collections over (under) deductions	10,290
Beginning account balance July 1, 2009	<u>117,509</u>
Ending account balance June 30, 2010	<u><u>\$ 127,799</u></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, 2010**

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**Finding 2010-1 – 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 the following concerns in regards to recording, authorization, custody, and execution of revenue transactions:

There are four full time employees in the Court Clerk's office, including the Court Clerk, and one part time employee. All employees work out of the same cash drawer. All employees receive money and issue receipts. In addition, the 1<sup>st</sup> Deputy also performs the duties of preparing deposit tickets and making deposits with the Treasurer.

We noted the following concerns in regards to recording, authorization, custody, and execution of expenditure transactions:

District Court:

The 1<sup>st</sup> Deputy performs the duties of preparing vouchers. However, the 1<sup>st</sup> Deputy is also performing the duties of signing, mailing vouchers, and reconciling the account with the Treasurer.

Court Fund:

The 1<sup>st</sup> Deputy performs the duties of preparing vouchers. However, the 1<sup>st</sup> Deputy is also performing the duties of signing, mailing vouchers, and reconciling the account 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 employee's daily receipts, and be approved by someone independent of the cash drawer. Regarding the disbursement process, the duties of issuing vouchers and the delivery/disbursement of vouchers should be separated.

Views of responsible officials and planned corrective actions: At this time we do not have the resources for a proper segregation of duties in our office.



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