

**MELBA HALL, COURT CLERK
LeFLORE COUNTY, OKLAHOMA
STATUTORY REPORT
FOR THE YEAR ENDED JUNE 30, 2004**

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STATE OF OKLAHOMA
OFFICE OF THE AUDITOR AND INSPECTOR

JEFF A. McMAHAN
State Auditor and Inspector

August 19, 2005

Melba Hall, Court Clerk
LeFlore County, Oklahoma

Transmitted herewith is the statutory report for the LeFlore County, Court Clerk, for the fiscal year ended June 30, 2004. 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. McMahon".

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

Melba Hall, Court Clerk
LeFlore County Courthouse
Poteau, Oklahoma 74953

Dear Ms. Hall:

We have performed procedures for fiscal year 2004 activity of the Court Fund Account for the purpose of complying with 20 O.S. § 1312. We have also performed procedures for fiscal year 2004 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 issued 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.

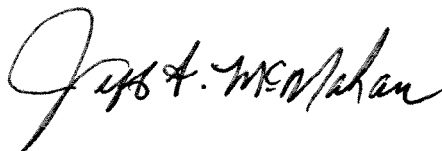
Our Court Clerk's engagement was limited to the procedures performed above and was less in scope than an audit performed in accordance with auditing standards generally accepted in the United States of America. Accordingly, we do not express an opinion on any general-purpose financial statements of LeFlore County.

Based on the above reconciliations, tests, and procedures performed; the Court Clerk is 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. 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 LeFlore 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, reading "Jeff A. McMahen". The signature is written in a cursive, flowing style.

JEFF A. McMAHAN
State Auditor and Inspector

June 13, 2005

**MELBA HALL, COURT CLERK
LeFLORE COUNTY, OKLAHOMA
COURT FUND ACCOUNT ANALYSIS
JUNE 30, 2004**

Collections:

Court fund fines, fees, and forfeitures	\$ 1,201,518
Cancelled vouchers	563
Interest earned on deposit	1,677
Total collections	<u>1,203,758</u>

Deductions:

Lump sum budget categories:

Juror expenses	41,749
Trial court attorneys	17,035
Transcripts-preliminary and trial	2,662
Transcripts-appeals	63
General office supplies	14,377
Forms printing	2,674
Publications	2,160
Postage and freight	17,446
Court reporter supplies	472
Gas, water, and electricity	32,719
General telephone expense	9,019
Other expenses	3,378
Total lump sum categories	<u>143,754</u>

Restricted budget categories:

Furniture and fixtures	1,485
Equipment purchases	2,136
Equipment rentals	3,797
Maintenance of equipment	15,579
O.C.I.S. service	34,608
Photocopy equipment rental	4,508
Part-time bailiffs	990
Part-time court employees	111,481
Total restricted categories	<u>174,584</u>

**MELBA HALL, COURT CLERK
LeFLORE COUNTY, OKLAHOMA
COURT FUND ACCOUNT ANALYSIS
JUNE 30, 2004**

Mandated budget categories:	
Law library	9,000
State judicial fund	<u>821,232</u>
Total mandated categories	<u>830,232</u>
 Total deductions	 <u>1,148,570</u>
 Collections over (under) deductions	 55,188
 Beginning account balance July 1, 2003	 <u>223,862</u>
 Ending account balance June 30, 2004	 <u><u>\$ 279,050</u></u>

**MELBA HALL, COURT CLERK
LeFLORE COUNTY, OKLAHOMA
COURT CLERK REVOLVING FUND ANALYSIS
JUNE 30, 2004**

Beginning balance	\$ 61,177
Collections	50,345
Disbursements	<u>3,681</u>
Ending account balance	<u><u>\$ 107,841</u></u>

**MELBA HALL, COURT CLERK
LeFLORE COUNTY, OKLAHOMA
SCHEDULE OF FINDINGS AND RECOMMENDATIONS
JUNE 30, 2004**

Finding 2004-1 - Segregation of Duties (Repeat Finding)

Criteria: Segregation of duties over asset custody, transaction authorization, bookkeeping and reconciliation is an important element of effective internal control over government assets and resources.

Condition: The limited number of office personnel within the Court Clerk's office prevents a proper segregation of accounting functions, which is necessary to assure adequate internal control structure.

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

Views of responsible officials and planned corrective actions: We concur with the auditor's findings. The Court Clerk does have knowledge of office operations and will perform a periodic review of these operations.