

MAYES COUNTY COURT CLERK

FOR THE YEAR ENDED
JUNE 30, 2006

STATUTORY REPORT



Oklahoma State Auditor
& Inspector

**LORI PARSONS, COURT CLERK
MAYES COUNTY, OKLAHOMA
STATUTORY REPORT
FOR THE YEAR ENDED JUNE 30, 2006**

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STATE AUDITOR AND INSPECTOR

STEVE BURRAGE, CPA
State Auditor

MICHELLE R. DAY, ESQ.
Chief Deputy



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September 14, 2009

Lori Parsons, Court Clerk
Mayes County Courthouse
Pryor, Oklahoma 74361

Transmitted herewith is the statutory report for the Mayes 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 blue ink that reads "Steve Burrage".

STEVE BURRAGE, CPA
STATE AUDITOR & 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.

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Lori Parsons, Court Clerk
Mayes County Courthouse
Pryor, Oklahoma 74361

Dear Ms. Parsons:

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 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 Mayes County.

Based on the above reconciliations, tests, and procedures performed, 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 and District Court case balances reconciled with the County Treasurer's records. With respect to Court Clerk Revolving Fund financial records reconciling with the County Treasurer's records and segregation of duties, our findings are included in the accompanying 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 Mayes 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

January 23, 2009

**LORI PARSONS, COURT CLERK
MAYES COUNTY, OKLAHOMA
COURT FUND ACCOUNT ANALYSIS
JUNE 30, 2006**

Collections:	
Court fund fines, fees, and forfeitures	\$ 1,135,253
Interest earned on deposit	614
Cancelled vouchers	11,778
Total collections	<u>1,147,645</u>

Deductions:	
Lump sum budget categories:	
Juror expenses	24,395
Trial court attorneys	133,052
Mental health hearings	12,125
Guardians ad litem	2,014
Physicians fees	15,150
Transcripts - preliminary	26,421
General office supplies	34,878
Forms printing	7,050
Publications	1,809
Postage and freight	5,624
Court reporter supplies	1,650
Gas, water, and electricity	41,506
General telephone	6,208
Long distance telephone	932
Other expenses	23,035
Total lump sum categories	<u>335,849</u>

Restricted budget categories:	
Maintenance of court area(s)	15,165
Furniture and fixtures	70,517
Equipment purchases	10,313
Equipment rentals	462
Maintenance of equipment	35,715
OCIS services	61,667
Photocopy equipment maintenance	7,864
Part-time bailiffs	783
Per diem court reporters	2,424
Court clerk employees	398,052
Total restricted categories	<u>602,962</u>

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**LORI PARSONS, COURT CLERK
MAYES COUNTY, OKLAHOMA
COURT FUND ACCOUNT ANALYSIS
JUNE 30, 2006**

Mandated categories:	
Law library	9,000
State judicial fund	<u>147,186</u>
Total mandated categories	<u>156,186</u>
Total deductions	<u>1,094,997</u>
Collections over (under) deductions	52,648
Beginning account balance July 1, 2005	<u>126,654</u>
Ending account balance June 30, 2006	<u>\$ 179,302</u>

**LORI PARSONS, COURT CLERK
MAYES COUNTY, OKLAHOMA
COURT CLERK REVOLVING ANALYSIS
JUNE 30, 2006**

Collections:	
Court fund revolving fees	<u>\$ 90,047</u>
Total collections	<u>90,047</u>
Deductions:	
Other	<u>71,085</u>
Total deductions	<u>71,085</u>
Collections over (under) deductions	18,962
Beginning account balance July 1, 2005	<u>19,623</u>
Ending account balance June 30, 2006	<u><u>\$ 38,585</u></u>

**LORI PARSONS, COURT CLERK
MAYES COUNTY, OKLAHOMA
SCHEDULE OF FINDINGS AND RESPONSES
JUNE 30, 2006**

Finding 2006-1 – Segregation of Duties (Repeat Finding)

Criteria: Accountability and stewardship are overall goals in evaluating management's accounting of funds. To help ensure a proper accounting of funds, the duties of receiving, receipting, recording, depositing cash and checks, reconciliations, and transaction authorization should be segregated.

Condition: Based on inquiries of County personnel and test work performed, it was noted that receiving, receipting, recording, depositing cash and checks, reconciliations, and transaction authorization within the Court Clerk's office were not properly segregated to assure adequate internal control structure.

Effect: These conditions could result in unrecorded transactions, misstated financial reports, undetected errors, or misappropriation of assets.

Recommendation: OSAI recommends management be aware of these conditions and realize the 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 knowledge of office operations and a periodic review of operations.

Views of responsible officials and planned corrective actions: This will be corrected.

Finding 2006-2 – Reconciliation

Criteria: Accountability and stewardship are overall goals in evaluating management's accounting of funds. To help ensure a proper accounting of funds, reconciliation should be performed monthly between the Treasurer's general ledger, the County Clerk's appropriation ledger and the County Clerk's revolving fund ledger. Additionally, the Court Clerk's revolving fund quarterly reports should accurately reflect the actual financial activity within the revolving fund.

Condition: Based on test work performed, it appears reconciliations are not being performed and maintained between the Treasurer's general ledger, the County Clerk's appropriation ledger, and the County Clerk's revolving fund ledger.

Effect: By failing to reconcile accounts in a timely manner, the risk of misstatement or misappropriation to occur in those accounts increases. As a result, misstatements or misappropriation of funds would not be detected on a timely basis and the financial activity reflected on the quarterly reports could be inaccurate.

Recommendation: OSAI recommends management take steps to ensure reconciliations are performed on a monthly basis, be approved/reviewed by someone other than the preparer, and the quarterly reports reflect financial activity within the revolving fund accurately.

**LORI PARSONS, COURT CLERK
MAYES COUNTY, OKLAHOMA
SCHEDULE OF FINDINGS AND RESPONSES
JUNE 30, 2006**

Views of responsible officials and planned corrective actions: I've been reconciling and doing the quarterly revolving fund report based on the County Clerk's appropriations ledger as directed by the ADC. I will do it both ways now.



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