

MAYES COUNTY COURT CLERK

FOR THE YEAR ENDED
JUNE 30, 2007

STATUTORY REPORT



Oklahoma State Auditor
& Inspector

**LORI PARSONS, COURT CLERK
MAYES COUNTY, OKLAHOMA
STATUTORY REPORT
FOR THE YEAR ENDED JUNE 30, 2007**

This publication is printed and issued by the State Auditor and Inspector as authorized by 20 O.S. § 1312. Pursuant to 74 O.S. § 3105.B, six (6) copies have been prepared and distributed at a cost of \$14.62. Copies have been deposited with the Publications Clearinghouse of the Oklahoma Department of Libraries.

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 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, 2007. 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

TABLE OF CONTENTS

Introductory Information ii
Statutory Report of State Auditor and Inspector 1
Court Fund Account Analysis..... 3
Court Clerk Revolving Fund Analysis..... 5
Schedule of Findings and Responses 6

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 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

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

Dear Ms. Parsons:

We have performed procedures for fiscal year 2007 activity of the Court Fund Account for the purpose of complying with 20 O.S. § 1312. We have also performed procedures for fiscal year 2007 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; 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 whether Court Clerk Revolving Fund expenditures were properly supported and approved 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, 2007**

Collections:

Court fund fines, fees, and forfeitures	\$ 1,139,748
Interest earned on deposit	2,176
Cancelled vouchers, refunds	<u>25,800</u>
Total collections	<u>1,167,724</u>

Deductions:

Lump sum budget categories:

Juror expenses	31,939
Trial court attorneys	127,200
Mental health hearings	15,211
Guardians ad litem	3,823
Physicians fees	17,986
Transcripts - preliminary & trial	22,847
General office supplies	26,698
Forms printing	5,322
Publications	2,346
Postage and freight	35,341
Court reporter supplies	1,762
Gas, water and electricity	22,250
General telephone	10,052
Long distance telephone	62
Other	<u>1,939</u>
Total lump sum categories	<u>324,778</u>

Restricted budget categories:

Security for court area	4,077
Maintenance of court areas	14,996
Furniture and fixtures	18,389
Equipment purchases	9,059
Equipment rentals	8,142
Maintenance of equipment	34,962
OCIS services	62,006
Photocopy equipment maintenance	8,235
Part-time bailiffs	8,162
Part-time court clerk employees	<u>423,909</u>
Total restricted categories	<u>591,937</u>

**LORI PARSONS, COURT CLERK
MAYES COUNTY, OKLAHOMA
COURT FUND ACCOUNT ANALYSIS
JUNE 30, 2007**

Mandated categories:	
Law library	9,000
State judicial fund	<u>192,012</u>
Total mandated categories	<u>201,012</u>
Total deductions	<u>1,117,727</u>
Collections over (under) deductions	49,997
Beginning account balance July 1, 2006	<u>179,302</u>
Ending account balance June 30, 2007	<u><u>\$ 229,299</u></u>

**LORI PARSONS, COURT CLERK
MAYES COUNTY, OKLAHOMA
COURT CLERK REVOLVING FUND ANALYSIS
JUNE 30, 2007**

Beginning balance	\$ 38,585
Collections	79,127
Disbursements	<u>77,330</u>
Ending account balance June 30, 2007	<u>\$ 40,382</u>

**LORI PARSONS, COURT CLERK
MAYES COUNTY, OKLAHOMA
SCHEDULE OF FINDINGS AND RESPONSES
JUNE 30, 2007**

Finding 2007-1 – 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 2007-2 – Revolving Fund Expenditures

Criteria: Accountability and stewardship are overall goals in evaluating management's accounting of funds. To help ensure a proper accounting of funds, management should implement internal controls to ensure that claims are complete and accurate, designated employees have been assigned as a receiving officer to ensure correct and complete orders are accepted, and that invoices agree to claims and receiving documentation prior to payment of the claim.

Condition: One out of ten revolving fund expenditures tested was not supported by an invoice or any documentation providing proof of the expense. Additionally, we noted the Court Clerk had not properly designated any receiving officers.

Effect: This condition could result in the payment of goods not received, inaccurate payments, and misappropriation of funds.

Recommendation: OSAI recommends all expenditures be supported by an itemized invoice and the Court Clerk designate, in writing, two receiving officers.

Views of responsible officials and planned corrective actions: Receiving officers have already been designated at this time. I am unaware of any Revolving Fund Claims unsupported by documentation and thought I was following directions given to me by the Administrative Office of the Courts, but will investigate and request assistance from the AOC.



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

WWW.SAI.OK.GOV