

**VICKI JUSTUS GARRETT, COURT CLERK
McCURTAIN COUNTY, OKLAHOMA
STATUTORY REPORT
FOR THE YEAR ENDED JUNE 30, 2003**

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), 6 copies have been prepared and distributed at a cost of \$6.12. Copies have been deposited with the Publications Clearinghouse of the Oklahoma Department of Libraries.



STATE OF OKLAHOMA
OFFICE OF THE AUDITOR AND INSPECTOR

JEFF A. McMAHAN
State Auditor and Inspector

February 25, 2004

Vicki Justus Garrett, Court Clerk
McCurtain County, Oklahoma 74745

Transmitted herewith is the statutory report of the McCurtain County, Court Clerk, for the fiscal year ended June 30, 2003. 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. McMahan".

JEFF A. McMAHAN
State Auditor and Inspector

TABLE OF CONTENTS

Introductory Information.....ii

Statutory Report of State Auditor and Inspector 1

Court Fund Account Analysis3

Court Clerk Revolving Fund Account Analysis5

Schedule of Findings and Recommendations6

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

Vicki Justus Garrett, Court Clerk
McCurtain County Courthouse
Idabel, Oklahoma 74745

Dear Ms. Garrett:

For the purpose of complying with 20 O.S. § 1312, we have performed the following procedures for the fiscal year 2003:

- 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 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 monthly reports, and the cash receipts journal is the representation of the Court Clerk.

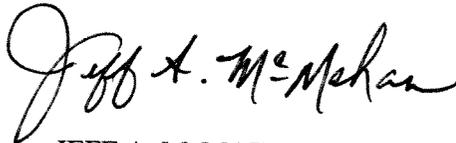
Our Court Clerk's engagement was limited to the procedures performed above and was less in scope than an audit performed in accordance with auditing standards generally accepted in the United States of America. Accordingly, we do not express an opinion on any general-purpose financial statements of McCurtain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

Based on the above reconciliations, tests, and procedures performed; the Court Clerk is collecting the correct fees and is 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 were issued in accordance with Court instructions; Court Fund and Court Clerk Revolving Fund financial records reconciled with the County Treasurer's records. With respect to the Court Clerk Revolving Fund vouchers being properly supported and approved, the District Court case balances reconciling to the County Treasurer, the numerical sequence of District Court receipts, and segregation of duties, our findings are included in the schedule of findings and recommendations.

We have prepared a detailed analysis of the Court Fund, and an analysis of the Court Clerk Revolving Fund which are presented following this report.

This report is intended for the information and use of the McCurtain 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 cursive script that reads "Jeff A. McMAHAN". The signature is written in black ink and is positioned to the left of the typed name.

JEFF A. McMAHAN
State Auditor and Inspector

December 9, 2003

VICKI JUSTUS GARRETT, COURT CLERK
McCURTAIN COUNTY, OKLAHOMA
COURT FUND ACCOUNT ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2003

Collections:

Court fund fines, fees, and forfeitures	\$808,296
Cancelled vouchers	2,312
Interest earned on deposit	<u>1,725</u>
Total collections	<u>812,333</u>

Deductions:

Lump sum categories:

Juror expenses	37,112
Trial court (attorneys)	24,280
Transcripts-preliminary and trial	6,651
Transcripts-appeals	2,288
Mental health attorney	3,600
General office supplies	19,369
Postage and freight	7,540
Court reporter supplies	2,129
Books for records and indexes	771
Gas, water, and electricity	10,940
Other expenses	5,055
General telephone expense	5,385
Long-distance telephone expense	<u>3,278</u>
Total lump sum categories	<u>128,398</u>

Restricted categories:

Maintenance of court area(s)	4,989
Renovation and remodeling	17,233
Security for courtroom	1,872
Furniture and fixtures	8,720
Equipment rentals	6,473
Photocopy equipment maintenance	3,388
Maintenance of equipment	17,204
Part-time bailiffs	103
OCIS services	34,959
Part-time court clerk employees	<u>241,548</u>
Total restricted categories	<u>336,489</u>

VICKI JUSTUS GARRETT, COURT CLERK
McCURTAIN COUNTY, OKLAHOMA
COURT FUND ACCOUNT ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2003

Mandated budget categories:	
Law library	9,000
State judicial fund	<u>285,269</u>
Total mandated categories	<u>294,269</u>
Total deductions	<u>759,156</u>
Collections over (under) deductions	53,177
Beginning account balance	<u>101,973</u>
Ending account balance	<u>\$155,150</u>

VICKI JUSTUS GARRETT, COURT CLERK
McCURTAIN COUNTY, OKLAHOMA
COURT CLERK REVOLVING FUND ACCOUNT ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2003

Beginning balance	\$ 23,280
Collections	52,763
Disbursements	<u>72,012</u>
Ending balance	\$ <u>4,031</u>

**VICKI JUSTUS GARRETT, COURT CLERK
McCURTAIN COUNTY, OKLAHOMA
SCHEDULE OF FINDINGS AND RECOMMENDATIONS
FOR THE YEAR ENDED JUNE 30, 2003**

Finding 2003-1 – Segregation of Duties

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. The most effective controls lie in management's knowledge of County operations and a periodic review of operations.

Condition: The limited number of office personnel within several County offices 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 County operations and a periodic review of operations.

Management's Response: 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.

Finding 2003-2 – Duplicate Receipt Numbers

Criteria: Effective accounting procedures include receipts be issued in sequential order for all monies received. Also, receipt numbers should not be reissued after voiding the receipt.

Condition: Voided receipt numbers are being reissued for subsequent receipts.

Recommendation: We recommend that duplicate pre-numbered receipts be issued for all monies received. Receipts should be issued in sequential order. Also, voided receipts should be retained and voided receipt numbers should not be reissued.

Management's Response: We concur with the auditor's findings and are implementing procedures to correct this problem.

Finding 2003-3 – Reconciliation with County Treasurer

Criteria: Effective accounting procedures include that the Court Clerk reconcile the office ledgers with the County Treasurer at the end of each month.

Condition: The Court Clerk's official depository account for District Court did not reconcile with the County Treasurer's official depository at June 30, 2003. A variance of \$94.28 was noted.

Recommendation: We recommend that the Court Clerk review the office ledgers at the end of each month and verify that the ending balances reconcile with the County Treasurer's official depository ledger.

**VICKI JUSTUS GARRETT, COURT CLERK
McCURTAIN COUNTY, OKLAHOMA
SCHEDULE OF FINDINGS AND RECOMMENDATIONS
FOR THE YEAR ENDED JUNE 30, 2003**

Management's Response: We concur with the auditor's findings and will work to reconcile the District Court #5 official depository account with the County Treasurer's ledger. This variance occurred before the Court Clerk took office. She has reduced the variance to \$94.28, but does not have the resources to research the remaining balance.

Finding 2003-4 – Court Clerk Revolving Fund Expenditures

Criteria: Title 19 O.S. 2001, § 220 states, "All monies accruing to the credit of the fund are hereby appropriated and shall be expended by the Court Clerk for the lawful operation of the court clerk's office." Also, "uniform", by definition, would require the same style of clothing to be worn by all employees and it should reflect proper identification for the office.

Condition: Expenditures were incurred for various apparel items for employees in the Court Clerk's office including jeans, shoes, shirts, and slacks.

Recommendation: We recommend the Court Clerk refrain from purchasing apparel for employees without an office uniform policy in effect. Also, all uniform pieces should clearly display "McCurtain County Court Clerk's Office" in some form.

Management's Response: We concur with the auditor's findings. Expenditures for uniforms will not be made in the future that do not follow an office policy and state statutes.