

**LINDA WILLIAMS, COURT CLERK
PITTSBURG 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

April 18, 2005

Linda Williams, Court Clerk
Pittsburg County, Oklahoma

Transmitted herewith is the statutory report for the Pittsburg 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,

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

Linda Williams, Court Clerk
Pittsburg County Courthouse
McAlester, Oklahoma 74501

Dear Ms. Williams:

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.

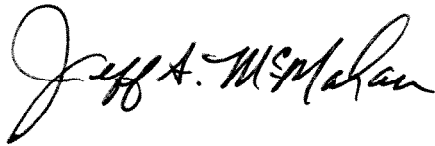
Our Court Clerk's engagement was limited to the procedures performed above and was less in scope than an audit performed in accordance with auditing standards generally accepted in the United States of America. Accordingly, we do not express an opinion on any general-purpose financial statements of Pittsburg 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 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 the Court Clerk Revolving Fund expenditures being properly supported and approved; and the matter of segregation of duties, our findings are 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 Pittsburg 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. McMahán". The signature is written in a cursive style with a large initial "J" and a long, sweeping underline.

JEFF A. McMAHAN
State Auditor and Inspector

February 8, 2005

**LINDA WILLIAMS, COURT CLERK
PITTSBURG COUNTY, OKLAHOMA
COURT FUND ACCOUNT ANALYSIS
JUNE 30, 2004**

Collections:

Court fund fines, fees, and forfeitures	\$ 1,106,181
Cancelled vouchers	183,365
Interest earned on deposit	714
Total collections	<u>1,290,260</u>

Deductions:

Lump sum budget categories:

Juror expenses	113,635
Trial court attorneys	55,316
Physician fees - mental health	400
Transcripts-preliminary and trial	14,119
Transcripts-appeals	4,410
OCIS computer training	892
General office supplies	15,463
Forms printing	4,965
Publications	402
Books for records and indexes	739
Postage and freight	16,425
Microfilm supplies	1,165
Court reporter supplies	5,772
Gas, water, and electricity	11,000
General telephone expense	3,287
Long-distance telephone expenses	1,212
Total lump sum categories	<u>249,202</u>

Restricted budget categories:

Renovation and remodeling	1,083
Maintenance of courtroom	1,800
Security of court areas	340,892
Furniture and fixtures	34,125
Equipment purchases	5,955
Maintenance of equipment	34,305
OCIS services	37,841
Photocopy equipment maintenance	2,400
Part-time bailiffs	9,467
Per-diem court reporters	148
Part-time court clerk employees	239,422
Total restricted categories	<u>707,438</u>

**LINDA WILLIAMS, COURT CLERK
PITTSBURG COUNTY, OKLAHOMA
COURT FUND ACCOUNT ANALYSIS
JUNE 30, 2004**

Mandated budget categories:	
Judicial Retirement Fund	<u>356,522</u>
Total mandated categories	<u>356,522</u>
Total deductions	<u>1,313,162</u>
Collections over (under) deductions	(22,902)
Beginning account balance July 1, 2003	<u>121,921</u>
Ending account balance June 30, 2004	<u>\$ 99,019</u>

**LINDA WILLIAMS, COURT CLERK
PITTSBURG COUNTY, OKLAHOMA
COURT CLERK REVOLVING FUND ANALYSIS
JUNE 30, 2004**

Beginning balance	\$ 69,959
Collections	49,570
Disbursements	<u>12,480</u>
Ending account balance	<u><u>\$ 107,049</u></u>

**LINDA WILLIAMS, COURT CLERK
PITTSBURG 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.

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 2004-2 - Court Clerk Revolving Fund Expenditures (Repeat Finding)

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. Claims against the fund shall include only expenses incurred for the operation of the court clerk's office in each county, and payment may be made after the claim is approved by the court clerk and either the district or the associate district judge of that county. ...The necessary forms and procedures shall be developed and implemented by the State Auditor and Inspector.” Also, effective internal controls include that all claims be supported by the original documentation including invoices and receiving documentation.

Condition: We tested 100% of Court Clerk Revolving Fund claims (23 claims) and noted the following exceptions:

1. Four claims were not completed,
2. Eight claims were not properly supported with invoices,
3. Three claims were not checked for accuracy and contained errors, and
4. Three claims were not properly authorized.

Recommendation: We recommend that all expenditures from the Revolving Fund be supported with claims and invoices. Also, all Court Clerk Revolving Fund claims should be approved by the Court Clerk and either the District or the Associate District Judge of that county.

Management's Response: We concur with the auditor's findings. Expenditures from the Court Clerk Revolving Fund will be made only after completing claims that have supporting documentation. All claims will be properly approved before payment is made.