

**LINDA WILLIAMS, COURT CLERK
PITTSBURG COUNTY, OKLAHOMA
STATUTORY REPORT
FOR THE YEAR ENDED JUNE 30, 2005**

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STATE OF OKLAHOMA
OFFICE OF THE AUDITOR AND INSPECTOR

JEFF A. McMAHAN
State Auditor and Inspector

June 1, 2006

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, 2005. 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 cursive script 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

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

Dear Ms. Williams:

We have performed procedures for fiscal year 2005 activity of the Court Fund Account for the purpose of complying with 20 O.S. § 1312. We have also performed procedures for fiscal year 2005 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 vouchers were classified and did not exceed appropriations; District Court vouchers were properly accounted for and issued in accordance with Court instructions; and 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 matters of segregation of duties; Court Fund vouchers being properly supported and approved; and Court Clerk Revolving Fund expenditures being properly supported and approved, our findings are included in the schedule of findings and recommendations

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 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,



JEFF A. McMAHAN
State Auditor and Inspector

April 24, 2006

**LINDA WILLIAMS, COURT CLERK
PITTSBURG COUNTY, OKLAHOMA
COURT FUND ACCOUNT ANALYSIS
JUNE 30, 2005**

Collections:

Court fund fines, fees, and forfeitures	\$ 1,064,024
Interest earned on deposits	6,466
Cancelled vouchers	247,122
Total collections	<u>1,317,612</u>

Deductions:

Lump sum budget categories:

Juror expenses	32,321
Trial court attorneys	43,448
Transcripts-preliminary and trial	9,418
Transcripts-appeals	4,333
General office supplies	15,879
Forms for printing	5,605
Publications	803
Books for records and indexes	233
Postage and freight	17,209
Microfilm supplies	2,762
Court reporter supplies	2,671
Gas, water, and electricity	11,000
General telephone expenses	3,522
Long-distance telephone expense	1,017
Other expenses	1,033
Total lump sum categories	<u>151,254</u>

Restricted budget categories:

Maintenance of court area(s)	1,657
Security for court area(s)	16,871
Furniture and fixtures	230
Equipment purchases	1,908
Maintenance of equipment	35,296
O.C.I.S. services	40,470
Photocopy equipment maintenance	2,400
Part-time bailiffs	6,337
Per-diem court reporter	634
Part-time court clerk employees	253,456
Total restricted categories	<u>359,259</u>

**LINDA WILLIAMS, COURT CLERK
PITTSBURG COUNTY, OKLAHOMA
COURT FUND ACCOUNT ANALYSIS
JUNE 30, 2005**

Mandated budget categories:	
Law library	9,000
State judicial fund	466,908
Total mandated categories	<u>475,908</u>
Total deductions	<u>986,421</u>
Collections over (under) deductions	331,191
Beginning account balance July 1, 2004	<u>99,019</u>
Ending account balance June 30, 2005	<u><u>\$ 430,210</u></u>

**LINDA WILLIAMS, COURT CLERK
PITTSBURG COUNTY, OKLAHOMA
COURT CLERK REVOLVING FUND ANALYSIS
JUNE 30, 2005**

Beginning balance	\$ 107,049
Collections	99,694
Disbursements	<u>7,724</u>
Ending account balance	<u>\$ 199,019</u>

SCHEDULE OF FINDINGS AND RECOMMENDATIONS

Finding 2005-1 – 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 State Auditor's findings. The Court Clerk does have knowledge of office operations and will perform a periodic review of these operations.

Finding 2005-2 – Court Fund Claims

Criteria: Title 20 O.S. § 1304 states that payment of court fund expense "...may be made after the claim is approved by the district judge who is a member of the governing board of the court fund and either the local court clerk or the local associate district judge who is a member of the governing board." Also, effective internal controls include the preparation of claims in a complete and accurate manner and that invoices be compared to claims and receiving documentation prior to payment of the claims.

Condition: We reviewed 100% of court fund claims for the audit year and found the following exceptions:

1. Nine claims did not agree to amount paid on voucher,
2. Ten claims did not have supporting documentation,
3. Four claims did not have receiving information completed,
4. Seventeen claims were not signed by a majority of the court fund board, and
5. Five claims could not be located.

Recommendation: We recommend that the Court Clerk comply with state statutes regarding expenditures of the court fund.

Views of responsible officials and planned corrective actions: We concur with the State Auditor's findings. We will work to ensure that claims are properly authorized in accordance with state statutes.

**LINDA WILLIAMS, COURT CLERK
PITTSBURG COUNTY, OKLAHOMA
SCHEDULE OF FINDINGS AND RECOMMENDATIONS
JUNE 30, 2005**

Finding 2005-3 – Court Clerk Reimbursement

Criteria: Effective internal controls include the comparison of invoices to receiving documentation and claims and that amounts be reviewed for accuracy prior to payment of the claim. Title 19 O.S. § 220 states, “Claims against the fund shall include only expenses incurred for 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 the county.”

Condition: The Court Clerk reimbursed herself twice for expenditures incurred while attending a CODA conference in September 2004. The first reimbursement had original receipt attached and was made from the General Fund by purchase order. The second reimbursement had copies of the original receipts attached and was made from the Revolving Fund five months later.

Recommendation: We recommend that the Court Clerk comply with state statutes regarding expenditures of the General Fund and the Revolving Fund.

Views of responsible officials and planned corrective actions: We concur with the State Auditor's findings. We will implement procedures to help prevent a reoccurrence of this nature in the future.

Finding 2005-4 – Court Clerk Revolving Fund Expenditures

Criteria: Title 19 O.S. § 220 states, “...Claims against the fund shall include only expenses incurred for 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 the county.” Also, effective internal controls include the comparison of invoices to receiving documentation and claims and the amounts be reviewed for accuracy prior to payment of the claim.

Condition: We reviewed 100% of the Court Clerk Revolving Fund claims and noted the following exceptions:

1. Eight claims were not checked for accuracy,
2. Four expenditures were not supported with claims,
3. Two were not properly approved, and
4. Three claims did not have invoices attached.

Recommendation: We recommend that the Court Clerk comply with state statutes regarding expenditures of the Revolving Fund.

Views of responsible officials and planned corrective actions: We concur with the State Auditor's findings. We will work to ensure that claims are properly authorized in accordance with state statutes.

**LINDA WILLIAMS, COURT CLERK
PITTSBURG COUNTY, OKLAHOMA
SCHEDULE OF FINDINGS AND RECOMMENDATIONS
JUNE 30, 2005**

Finding 2005-5 – Revolving Fund Claim Issued for Court Case

Criteria: Title 19 O.S. § 220 states that payments from the Court Clerk Revolving Fund “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.”

Condition: Revolving Fund claim #61 was issued to District Court for a payment on case number F-02-142. This claim did not have supporting documentation attached.

Recommendation: We recommend that the Court Clerk comply with state statutes regarding expenditures of the Revolving Fund.

Views of responsible officials and planned corrective actions: We concur with the State Auditor's findings. We will work to ensure that claims are issued only for the lawful operation of the office.

Finding 2005-6 – Revolving Fund Claim Issued for Door Prize

Criteria: Title 19 O.S. § 220 states that payments from the Court Clerk Revolving Fund “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.”

Condition: Revolving Fund claim #68 included a reimbursement to the Court Clerk for a door prize for \$11.67 that was taken to an association meeting.

Recommendation: We recommend that the Court Clerk comply with state statutes regarding expenditures of the Revolving Fund.

Views of responsible officials and planned corrective actions: We concur with the State Auditor's findings. We will work to ensure that claims are issued only for the lawful operation of the office.

Finding 2005-7 – Revolving Fund Claim for Cash Drawer Shortage

Criteria: Title 19 O.S. § 220 states that payments from the Court Clerk Revolving Fund “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.”

Condition: Revolving Fund claim #72 was issued to the Court Clerk which was receipted and deposited in the District Court official depository account to make up a \$100.00 shortage noted during a daily reconciliation. No claim was prepared for this expenditure and this was not properly authorized.

**LINDA WILLIAMS, COURT CLERK
PITTSBURG COUNTY, OKLAHOMA
SCHEDULE OF FINDINGS AND RECOMMENDATIONS
JUNE 30, 2005**

Recommendation: We recommend that the Court Clerk comply with state statutes regarding expenditures of the Revolving Fund.

Views of responsible officials and planned corrective actions: We concur with the State Auditor's findings. We will work to ensure that claims are issued only for the lawful operation of the office.

Finding 2005-8 – Revolving Fund Claim for Mileage

Criteria: Title 19 O.S. § 220 states that payments from the Court Clerk Revolving Fund “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.”

Condition: The Court Clerk overstated her mileage reimbursement expenses on thirteen Court Clerk Revolving Fund claims.

Recommendation: We recommend that the Court Clerk comply with state statutes regarding expenditures of the Revolving Fund.

Views of responsible officials and planned corrective actions: We concur with the State Auditor's findings. We will work to ensure that claims are issued only for the lawful operation of the office.