

# TULSA COUNTY COURT CLERK

FOR THE PERIOD JULY 1, 2006  
THROUGH JUNE 30, 2009

# STATUTORY REPORT



Oklahoma State Auditor  
& Inspector

**SALLY HOWE SMITH, COURT CLERK  
TULSA COUNTY, OKLAHOMA  
STATUTORY REPORT  
FOR THE PERIOD JULY 1, 2006 THROUGH JUNE 30, 2009**

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# STATE AUDITOR AND INSPECTOR

STEVE BURRAGE, CPA  
State Auditor

MICHELLE R. DAY, ESQ.  
Chief Deputy



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October 18, 2010

Sally Howe Smith, Court Clerk  
Tulsa County Courthouse  
Tulsa, Oklahoma 74103

Transmitted herewith is the statutory report for the Tulsa County Court Clerk for the period July 1, 2006 through June 30, 2009. 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

**SALLY HOWE SMITH, COURT CLERK  
TULSA COUNTY, OKLAHOMA  
STATUTORY REPORT  
FOR THE PERIOD JULY 1, 2006 THROUGH JUNE 30, 2009**

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**SALLY HOWE SMITH, COURT CLERK  
TULSA COUNTY, OKLAHOMA  
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FOR THE PERIOD JULY 1, 2006 THROUGH JUNE 30, 2009**

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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 AUDITOR AND INSPECTOR

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Sally Howe Smith, Court Clerk  
Tulsa County Courthouse  
Tulsa, Oklahoma 74103

Dear Ms. Howe Smith:

We have performed procedures for the period July 1, 2006 through June 30, 2009, activity of the Court Fund Account for the purpose of complying with 20 O.S. § 1312. We have also performed procedures for the period July 1, 2006 through June 30, 2009, 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 Tulsa County.

Based on the above reconciliations, tests, and procedures performed, and with respect to items tested, 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, Court Clerk Revolving Fund activity, and District Court balances reconciled with the County Treasurer's records. However, we noted matters of balances in overpayment accounts and segregation of duties. Our findings are presented in the accompanying schedule of findings and responses.

We have included in this report the Court Fund Account Reports, which were prepared from the Tulsa County Court Clerk's quarterly reports, which were submitted to the Administrative Office of the Courts.

We have also included in this report the Court Clerk Revolving Fund Reports, which were prepared by the Tulsa County Court Clerk, which were submitted to the Administrative Office of the Courts.

This report is intended for the information and use of the Tulsa 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

August 16, 2010

**SALLY HOWE SMITH, COURT CLERK  
TULSA COUNTY, OKLAHOMA  
COURT FUND ACCOUNT REPORT  
JULY 1, 2006 THROUGH JUNE 30, 2007**

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Collections:	
Court fund fines, fees, and forfeitures	\$ 12,589,733
Interest earned on deposit	65,748
Cancelled vouchers, refunds	<u>14,185</u>
Total collections	<u>12,669,666</u>

Deductions:	
Lump sum budget categories:	
Juror expenses	789,030
Witness expenses	11,295
Indigent defense witness expense	58,801
Trial court - attorneys	389,073
Public defender programs	3,752,743
Public defender travel expense	10,300
Transcripts - preliminary and trial	47,836
Transcripts - appeals	178,001
Court computer system training	591
General office supplies	102,210
Forms printing	65,080
Publications	17,302
Postage and freight	180,623
Microfilm supplies	20,818
Court reporter supplies	21,030
General telephone expense	44,870
Long distance telephone expense	844
Gas, water and electricity	460,269
Other expenses (robes, etc.)	<u>340,757</u>
Total lump sum categories	<u>6,491,473</u>

Restricted budget categories:	
Renovation and remodeling	9,580
Maintenance of court area	379,339
Furniture and fixtures	32,219
Equipment purchases	82,245
Equipment rentals	4,879
Maintenance of equipment	49,412
OCIS services	634,368
Photocopy equipment rental	83,472
Photocopy equipment maintenance	4,293
Part-time bailiffs	31,012
Part-time court clerk employees	<u>394,528</u>
Total restricted categories	<u>1,705,347</u>

Source: Tulsa County Court Clerk's Court Fund Quarterly Reports (for informational purposes only)



**SALLY HOWE SMITH, COURT CLERK  
TULSA COUNTY, OKLAHOMA  
COURT FUND ACCOUNT REPORT  
JULY 1, 2006 THROUGH JUNE 30, 2007**

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Mandated categories:	
Law library	10,000
State judicial fund	<u>4,656,372</u>
Total mandated categories	<u>4,666,372</u>
Total deductions	<u>12,863,192</u>
Collections over (under) deductions	(193,526)
Beginning account balance July 1, 2006	<u>768,621</u>
Ending account balance June 30, 2007	<u><u>\$ 575,095</u></u>

**SALLY HOWE SMITH, COURT CLERK  
TULSA COUNTY, OKLAHOMA  
COURT FUND ACCOUNT REPORT  
JULY 1, 2007 THROUGH JUNE 30, 2008**

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Collections:	
Court fund fines, fees, and forfeitures	\$ 13,193,598
Interest earned on deposit	46,058
Cancelled vouchers, refunds	11,642
Total collections	<u>13,251,298</u>

Deductions:	
Lump sum budget categories:	
Juror expenses	758,183
Witness expenses	10,884
Indigent defense witness expense	57,657
Trial court - attorneys	726,683
Public defender programs	3,907,544
Public defender travel expense	16,966
Guardian ad litem fees	2,284
Transcripts - preliminary and trial	61,894
Transcripts - appeals	182,190
Court computer system training	1,647
General office supplies	117,803
Forms printing	64,909
Publications	12,281
Postage and freight	201,411
Microfilm supplies	13,624
Court reporter supplies	19,471
General telephone expense	39,723
Long distance telephone expense	627
Gas, water and electricity	580,668
Other expenses (robes, etc.)	443,854
Total lump sum categories	<u>7,220,303</u>

Restricted budget categories:	
Renovation and remodeling	22,933
Maintenance of court area	473,444
Security for court area	8,496
Furniture and fixtures	51,176
Equipment purchases	14,206
Equipment rentals	6,516
Maintenance of equipment	42,903
OCIS services	645,120
Photocopy equipment rental	75,327
Photocopy equipment maintenance	5,246
Part-time bailiffs	37,723
Court clerk employees	425,426
Total restricted categories	<u>1,808,516</u>

Source: Tulsa County Court Clerk's Court Fund Quarterly Reports (for informational purposes only)

**SALLY HOWE SMITH, COURT CLERK  
TULSA COUNTY, OKLAHOMA  
COURT FUND ACCOUNT REPORT  
JULY 1, 2007 THROUGH JUNE 30, 2008**

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Mandated categories:	
Law library	10,000
State judicial fund	<u>4,000,469</u>
Total mandated categories	<u>4,010,469</u>
Total deductions	<u>13,039,288</u>
Collections over (under) deductions	212,010
Beginning account balance July 1, 2007	<u>575,095</u>
Ending account balance June 30, 2008	<u>\$ 787,105</u>

*Source: Tulsa County Court Clerk's Court Fund Quarterly Reports (for informational purposes only)*

**SALLY HOWE SMITH, COURT CLERK  
TULSA COUNTY, OKLAHOMA  
COURT FUND ACCOUNT REPORT  
JULY 1, 2008 THROUGH JUNE 30, 2009**

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Collections:	
Court fund fines, fees, and forfeitures	\$ 13,085,119
Interest earned on deposit	10,607
Cancelled vouchers, refunds	7,732
Total collections	<u>13,103,458</u>
Deductions:	
Lump sum budget categories:	
Juror expenses	747,679
Witness expenses	8,387
Indigent defense witness expenses	82,190
Trial court attorneys	494,400
Public defender programs	4,010,445
Public defender travel expense	13,523
Guardians ad litem fees	31,646
Transcripts - preliminary and trial	62,594
Transcripts - appeals	157,990
OCIS computer training	1,205
General office supplies	154,609
Forms printing	70,795
Publications	6,987
Postage and freight	178,808
Microfilm supplies	8,391
Court reporter supplies	11,795
Gas, water and electricity	616,780
General telephone expenses	35,197
Long-distance telephone expenses	660
Other expenses (robes, etc.)	517,074
Total lump sum categories	<u>7,211,155</u>
Restricted budget categories:	
Renovation and remodeling	41,192
Maintenance of court area	424,314
Security for court areas	2,237
Furniture and fixtures	78,885
Equipment purchases	16,001
Equipment rentals	9,323
Maintenance of equipment	61,936
OCIS services	638,434
Photocopy equipment rental	66,297
Photocopy equipment maintenance	4,238
Part-time bailiffs	46,363
Court clerk employees	379,156
Total restricted categories	<u>1,768,376</u>

Source: Tulsa County Court Clerk's Court Fund Quarterly Reports (for informational purposes only)

**SALLY HOWE SMITH, COURT CLERK  
TULSA COUNTY, OKLAHOMA  
COURT FUND ACCOUNT REPORT  
JULY 1, 2008 THROUGH JUNE 30, 2009**

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Mandated categories:	
Law library	10,000
State judicial fund	<u>3,943,050</u>
Total mandated categories	<u>3,953,050</u>
Total deductions	<u>12,932,581</u>
Collections over (under) deductions	170,877
Beginning account balance July 1, 2008	<u>787,105</u>
Ending account balance June 30, 2009	<u><u>\$ 957,982</u></u>

*Source: Tulsa County Court Clerk's Court Fund Quarterly Reports (for informational purposes only)*

**SALLY HOWE SMITH, COURT CLERK  
TULSA COUNTY, OKLAHOMA  
COURT CLERK REVOLVING FUND REPORT  
JULY 1, 2006 THROUGH JUNE 30, 2007**

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Collections:	
Court fund revolving fees	\$ 528,335
Total collections	<u>528,335</u>
Deductions:	
Other	<u>3,718</u>
Total deductions	<u>3,718</u>
Collections over (under) deductions	524,617
Beginning account balance July 1, 2006	<u>1,466,297</u>
Ending account balance June 30, 2007	<u>\$ 1,990,914</u>

*Source: Tulsa County Court Clerk's Revolving Fund Annual Report (for informational purposes only)*

**SALLY HOWE SMITH, COURT CLERK  
TULSA COUNTY, OKLAHOMA  
COURT CLERK REVOLVING FUND REPORT  
JULY 1, 2007 THROUGH JUNE 30, 2008**

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Collections:	
Court fund revolving fees	\$ 542,505
Total collections	<u>542,505</u>
Deductions:	
Court revolving fund expenses	<u>-</u>
Total deductions	<u>-</u>
Collections over (under) deductions	542,505
Beginning account balance July 1, 2007	<u>1,990,914</u>
Ending account balance June 30, 2008	<u>\$ 2,533,419</u>

*Source: Tulsa County Court Clerk's Revolving Fund Annual Report (for informational purposes only)*

**SALLY HOWE SMITH, COURT CLERK  
TULSA COUNTY, OKLAHOMA  
COURT CLERK REVOLVING FUND REPORT  
JULY 1, 2008 THROUGH JUNE 30, 2009**

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Collections:	
Court fund revolving fees	\$ 474,848
Total collections	<u>474,848</u>
Deductions:	
Other	<u>32</u>
Total deductions	<u>32</u>
Collections over (under) deductions	474,816
Beginning account balance July 1, 2008	<u>2,533,419</u>
Ending account balance June 30, 2009	<u>\$ 3,008,235</u>

*Source: Tulsa County Court Clerk's Revolving Fund Annual Report (for informational purposes only)*



**SALLY HOWE SMITH, COURT CLERK  
TULSA COUNTY, OKLAHOMA  
SCHEDULE OF FINDINGS AND RESPONSES  
FOR THE PERIOD JULY 1, 2006 THROUGH JUNE 30, 2009**

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**Finding 2007/2008-1 – Overpayments**

Criteria: According to Title 60 O.S. §657.4:

- A. All intangible property, including but not limited to securities, principal, interest, dividends or other earnings thereon, less any lawful charges, held by a business association, federal, state or local government or governmental subdivision, agency or entity, or any other person or entity, regardless of where the holder may be found, if the owner has not claimed such property or corresponded in writing with the holder concerning the property within three (3) years after the date prescribed for payment or delivery by the issuer, unless the holder is a state that has taken custody pursuant to its own unclaimed property laws, in which case no additional period of holding beyond that of such state is necessary hereunder, is presumed abandoned and subject to the custody of this state as unclaimed property if:
1. The last-known address of the owner is unknown; and
  2. The person or entity originating or issuing the intangible property is in this state or any political subdivision of this state, or is incorporated, organized, created or otherwise located in this state.
- B. The provisions of subsection A of this section shall not apply to property which is or may be presumed abandoned and subject to the custody of this state pursuant to any other provision of law containing a dormancy period different than that prescribed in subsection A of this section.
- C. The provisions of subsection A of this section shall apply to all property held at the time of the effective date of this act, or at any time thereafter, regardless of when such property became or becomes presumptively abandoned.

Condition: For the period July 1, 2006 through June 30, 2008, the Court Clerk's "Overpayment Account" (AC 98) has balances which in some instances have been held for more than ten years.

Effect: The Court Clerk is in possession of balances which are presumed abandoned and are subject to the custody of the state as unclaimed property.

Recommendation: OSAI recommends the Court Clerk review all funds in the overpayment account on a periodic basis to determine if any funds held in the account should be sent to the State of Oklahoma Unclaimed Property Program.

**SALLY HOWE SMITH, COURT CLERK  
TULSA COUNTY, OKLAHOMA  
SCHEDULE OF FINDINGS AND RESPONSES  
FOR THE PERIOD JULY 1, 2006 THROUGH JUNE 30, 2009**

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Views of responsible officials and planned corrective actions: We have been working on the AC98 report. Most of the money is small amounts left in foreclosure cases. I rehired an employee to focus on this work last year. We now have \$108,926.01 left in AC98 and \$811,487.99 in the account for abandoned property. I don't have many employees who can make these determinations. I feel that we have made substantial progress since I rehired an employee.

**Finding 2007/2008/2009-2 – Segregation of Duties**

Criteria: Accountability and stewardship are overall goals of management in the accounting of funds. To help ensure a proper accounting of funds, key duties and responsibilities should be segregated among different individuals to reduce the risk of error or fraud. No one individual should have the ability to authorize transactions, have physical custody of assets, and record transactions.

Condition: For the period July 1, 2006 through June 30, 2009, the reconciliations and transaction authorization in the Tulsa County Court Clerk's Office were not properly segregated to assure adequate internal control structure.

The accounting clerks reconcile with the Treasurer, calculate amounts vouchered to other agencies, prepare vouchers, sign vouchers, and mail vouchers. No one reviews the vouchers or the reconciliations.

Effect: A single person having responsibility for more than one area of recording, authorization, custody of assets, and execution of transactions could result in unrecorded transactions, misstated financial reports, clerical errors, or misappropriation of funds not being detected in a timely manner.

Recommendation: OSAI recommends management be aware of these conditions and realize that concentration of duties and responsibilities in a limited number of individuals is not desired from a control point of view. We recommend the Court Clerk review the vouchers prior to distribution and the reconciliation with the Treasurer.

Views of responsible officials and planned corrective actions: On our monthly fiscal report, I now verify that we reconcile with the Treasurer and I will be reviewing the report containing all vouchers written.



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