



# TOWN OF JONES

## OKLAHOMA COUNTY, OKLAHOMA

### Investigative Audit Report

January 2, 2024

**Cindy Byrd, CPA**  
State Auditor & Inspector

**Town of Jones  
Oklahoma County, Oklahoma**

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TOWN OF JONES BOARD OF TRUSTEES

Presented herein is the investigative audit report of the Town of Jones. The scope of this investigation was limited to specific concerns regarding court transactions within the town clerk's office, this does not preclude the potential for matters of concern in other areas not addressed in this report.

The goal of the State Auditor and Inspector is to promote accountability and fiscal integrity in state and local government. Maintaining our independence as we provide this service to the taxpayers of Oklahoma is of utmost importance.

We wish to take this opportunity to express our appreciation for the assistance and cooperation extended to our office during our engagement.

This report is addressed to, and is for the information and use of, the Town Board of Trustees as provided by statute. This report is also a public document pursuant to the Oklahoma Open Records Act, in accordance with **51 O.S. §§ 24A.1, et seq.**

Sincerely,

A handwritten signature in blue ink that reads "Cindy Byrd".

CINDY BYRD, CPA  
OKLAHOMA STATE AUDITOR & INSPECTOR



## Town of Jones

# Investigative Audit Report

### Background

Court Clerk Tammy Wallace and former deputy clerks Pam Lucas and Brenda Rowlett collected court fines for citations issued by the Jones Police Department. Receipt of funds and detailed statements of all costs<sup>1</sup> were to be maintained by the clerk of the court and citation information was to be recorded in the Offender Data Information System (ODIS)<sup>2</sup> and collected fines were to be posted in ODIS upon receipt.

The data obtained from ODIS confirmed that all three employees had access to the system. The ODIS data also indicated that all citations were not entered into the system in a timely manner or that some payments were deleted or never posted.

Allegations that Lucas embezzled municipal court fines surfaced on February 14, 2019, and she was terminated on February 18, 2019. After Lucas' departure, Town of Jones (Town) officials began an internal investigation of court activity that continued for approximately 18 months and indicated that Lucas had misappropriated funds, altered documents, and fraudulently updated ODIS.

In September 2020, the Jones Police Chief requested the Oklahoma State Bureau of Investigation (OSBI) investigate the allegations against Lucas. In February 2021,<sup>3</sup> the Town Board of Trustees requested the State Auditor & Inspector's Office (SA&I) perform an investigative audit of municipal court collections.

The OSBI interviewed Lucas in November 2021 where she acknowledged that she had misappropriated funds from the Town, altered documents, and fraudulently changed citation amounts in ODIS.

### Key Finding

Between January 2016 and December 2019, town deposits were short \$59,683 due to citation payments that were documented in the Town's records as received but were not posted in ODIS.<sup>4</sup>

<sup>1</sup> 11 O.S. § 27-112

<sup>2</sup> The Offender Data Information System is a comprehensive law enforcement and municipal court records management application.

<sup>3</sup> in accordance with 74 O.S. § 227.8

<sup>4</sup> 11 O.S. § 12-110; 11 O.S. § 27-109; 19 O.S. § 641

## What We Found

### Procedures and Internal Controls

In addition to serving as the town clerk/treasurer Wallace also served as the “Clerk of the Court,”<sup>5</sup> which made her responsible for the entry of all pleadings, processes, and proceedings of the court. Her responsibilities included the receipting of fines and the depositing of all court collections. Wallace delegated most of these responsibilities to her deputy clerks, Lucas and Rowlett.

Citation receipts issued prior to February 2019 (see example below) were not prenumbered and most were not signed or initialed by an employee limiting the ability to assign responsibility to individual transactions. Citation envelopes,<sup>6</sup> as shown to the right, were written on, marked out, and altered, with no checks and balances to account for the documentation of court transactions. Employees were allowed to collect payments, post payments, and perform reconciliations with no separation of duties between these key functions.

The Town deposited several sources of revenue<sup>7</sup> in the General Fund, with no tracking of the payment method<sup>8</sup> and no details entered in the accounting records, additionally reducing accountability over cash collections. The Town did not utilize the ODIS system to issue receipts or prepare court dockets, which further decreased accountability of citation collections and tracking. There was little to no oversight over the entire court process.

Jones Municipal Court P.O. Box 720 Jones, OK 73049-0720	Citation Receipt	19/5
NAME: [REDACTED]	Amount Paid	20.00
Citation # 24423-24424	Balance due	495.00
Cash <input checked="" type="checkbox"/> Check <input type="checkbox"/> Credit Card <input type="checkbox"/>		
PAID		Next payment Due on
OCT 15 2018		ASAP

DATE	3/01/18	AMT	345.00
RECPT#			
DEF/PROB:			
DPS			
PARENT LETTER			
TIME PAY			
	785		
DUE	845		
CONT	N-200 9-01-17 CASH		
PAYMENT	645		
DATE	509-17-17-cash		
BALANCE	595.00 Bal		
PAYMENT	100 9-25-17 CASH		
DATE	495.00		
BALANCE	100.00 10-9-17 CASH		
PAYMENT	395.00		
DATE	50.00 10/30/17 CASH		
BALANCE	345.00 Balance		
PAYMENT	345.00 3-1-18 CC		
DATE	0		

### Details

During fieldwork it became apparent that Town records, including citation payment receipts, were missing or unaccounted for, citation amounts due were manipulated, and corresponding payments were recorded in amounts less than received from customers. Many payments were deleted from ODIS, changed, or not posted at all. A total of 437 payments dated between October 2015 and October 2022 were deleted from ODIS; 261

<sup>5</sup> 11 O.S. § 27-109

<sup>6</sup> Citation envelopes served as court documents and were used to record payments and court outcomes.

<sup>7</sup> i.e., permits, licenses, court fines, etc.

<sup>8</sup> i.e., cash, check, money order, credit card

payments deleted by Lucas, 123 payments deleted by Rowlett, and 53 payments deleted by Wallace. The purpose for all of the deletions was not readily apparent.

All payment information located at town hall including receipts, reports, court sign-in sheets, and citation envelopes was evaluated to determine the amount of fines that had been collected, the date the funds were received, and the type of payment received, i.e., cash, credit card, check, money order. These transactions were then evaluated to determine if the total amount of each payment collected had been recorded in ODIS. Town deposits were short \$59,683 due to citation payments that were documented in the town's records as received but were not posted in ODIS.

Example 1

A customer paid \$885 in cash on February 14, 2019, and was issued a receipt for the full \$885. (Exhibit 1) Lucas discarded that receipt and created a second receipt indicating a \$350 payment (Exhibit 2) was received instead of the actual \$885 that was paid. The customer was contacted and provided a copy of the original receipt which showed the full \$885 paid.

Exhibit 1

**Citation Receipt**

Jones Municipal Court  
P.O. Box 720  
Jones, OK 73049

State Fees No. Yes  Amt. \_\_\_\_\_

NAME: [REDACTED] Amount Paid 885.00

Citation # 0 24821 Balance due 0

Payment method \_\_\_\_\_ Next payment Due on n/a

PAID FEB 14 2019 BY: [Signature]

Exhibit 2

**Citation Receipt**

Jones Municipal Court  
P.O. Box 720  
Jones, OK 73049

State Fees No. Yes  Amt. 350

NAME: [REDACTED] Amount Paid 350.00

Citation # 0 24821 Balance due 0

Payment method CASH Next payment Due on \_\_\_\_\_

PAID FEB 14 2019 BY: [Signature]

PAID FEB 14 2019 BY: [Signature]

PAID FEB 14 2019 BY: [Signature]

Neither the customer's cash payment of \$885 nor the altered payment of \$350 was posted in ODIS, but the \$350 was documented as paid on the customer's citation paperwork located in the Town records. This example demonstrates one method used to conceal misappropriated court fines. Lucas admitted she created a new receipt, altered the amount paid to \$350, and misappropriated the difference. This receipt was the initial transaction that was questioned by the Town as fraudulent.

Example 2

The envelope for citation 24258 shows \$205 was collected on June 11, 2018. Per the Citation Balance Sheet Report dated December 31, 2018, the citation amount collected was not posted in ODIS as paid decreasing the Town's total deposited funds.

NAME [REDACTED]  
 CIT# 24258 CASE# [REDACTED]  
 DATE 6/11/18 AMT 205.00

Jones Police Department Citation Balance Sheet Report From 01/01/2018 - 12/31/2018 Total records found : 773							
Citation #	Issued Date	Name	Fine Amount	Court Cost	Total Fine	Total Paid	Balance
24258	05/01/2018 07:46	[REDACTED]	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00

After Lucas' Departure

ODIS data confirmed that Lucas was primarily responsible for entering citation transactions in ODIS prior to her departure in February 2019. After Lucas' departure, Wallace and Rowlett were responsible for the processing of citation payments but denied they had any involvement in the misappropriation of court funds.

However, after Lucas' departure, citation envelopes continued to be altered and the ODIS User Access Log Report indicated that Wallace and Rowlett added and modified numerous citations. It could not be determined if the data changes were made to correct the fraudulent entries of Lucas or to conceal other transactions. Regardless of the purpose, this activity resulted in the continued inability to accurately ascertain whether citation funds received were properly receipted, deposited, and recorded in ODIS.

Of the \$59,683 in unposted payments, \$21,213 occurred after Lucas was terminated in February 2019.


Example 1

Prenumbered, signed receipts were introduced after February 2019. On March 13, 2019, Rowlett received a customer's cash payment of \$75 paid toward an outstanding court fine. The payment was not recorded in ODIS.

date 3/13/19 No. 989495  
 received from [REDACTED] \$ 75.00  
 amount \_\_\_\_\_ dollars  
 for payment of tickets  
 cash  money order  credit card  check # \_\_\_\_\_  
 amount due 780.00  
 amount paid 75.00 from \_\_\_\_\_ to \_\_\_\_\_  
 balance 705.00 signature B. Rowlett

Example 2

On March 14, 2019, Wallace received an \$85 cash payment on citation 24883. The ODIS data reflected the transaction was deleted and the citation account was made inactive, effectively voiding the citation and the requirement to post the payment in ODIS.

	date <u>3.1.14.19</u> No. <u>989514</u>	
	received from <u>[REDACTED]</u>	\$ <u>85<sup>00</sup></u>
	amount <u>Eighty five Dollars</u>	dollars
	for payment of <u>City # 24883</u>	dollars
	for payment of <input checked="" type="radio"/> cash <input type="radio"/> money order <input type="radio"/> credit card <input type="radio"/> check #	amount due <u>85<sup>00</sup></u>
amount paid <u>85<sup>00</sup></u>	amount due <u>85<sup>00</sup></u>	
balance <u>0</u>	signature <u>[Signature]</u>	

Audit Deleted	24487	8/25/2018	WALLACE, TAMMY	YES
Audit Deleted	24488	8/25/2018	WALLACE, TAMMY	YES
Audit Deleted	24883	12/29/2018	WALLACE, TAMMY	YES
Audit Deleted	25179	2/13/2019	WALLACE, TAMMY	YES
Audit Deleted	25019	2/21/2019	WALLACE, TAMMY	YES

ODIS data included clear evidence that multiple payments were deleted and/or modified after Lucas resigned. The omission of a few cash payments from the ODIS system could possibly be attributed to user error. However, in the months following Lucas' resignation there were at least 40 separate cash payments made by offenders that were not posted correctly to ODIS.



**DISCLAIMER**

*In this report, there may be references to state statutes and legal authorities which appear to be potentially relevant to the issues reviewed by the State Auditor & Inspector's Office. This Office has no jurisdiction, authority, purpose, or intent by the issuance of this report to determine the guilt, innocence, culpability, or liability, if any, of any person or entity for any act, omission, or transaction reviewed. Such determinations are within the exclusive jurisdiction of regulatory, law enforcement, prosecutorial, and/or judicial authorities designated by law.*