



# Maricopa County

Internal Audit Department

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## Independent Accountant's Report On Applying Agreed-Upon Procedures

Members of the Supreme Court of the State of Arizona  
Maricopa County Adult Probation Department

We have performed the agreed-upon procedures enumerated in Part III of the Minimum Accounting Standards (MAS) Compliance Checklist for Arizona Courts, January 2012 Revision.

We performed these procedures to assist the Supreme Court of Arizona, Administrative Office of the Court (AOC), in evaluating the Adult Probation Department's compliance with MAS as set forth in the agreed-upon procedures. These agreed-upon procedures were performed in accordance with standards established by the American Institute of Certified Public Accountants. The subject matter and sufficiency of these procedures is solely the responsibility of the specified users of the report. Consequently, we make no representation regarding the sufficiency of the procedures referred to above, either for the purpose for which this report has been requested, or for any other purpose.

No exceptions were found as a result of applying the agreed-upon procedures, except those presented in the accompanying Summary of Findings.

We were not engaged to, and did not, perform an examination, the objective of which would be the expression of an opinion. Accordingly, we do not express an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended for the information of the party listed in the second paragraph, and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. However, this report is a public record and its distribution is not limited.

Should you have any questions concerning this report, please let us know.

A handwritten signature in cursive script that reads "Ross L. Tate".

Ross L. Tate, CIA  
Maricopa County Auditor  
January 23, 2013

**ADULT PROBATION DEPARTMENT**  
**Summary of Findings**  
**As of November 21, 2012**

The Adult Probation Department (APD) performs case-related cash collections and disbursements at various locations throughout Maricopa County. The Minimum Accounting Standards (MAS) Agreed Upon Procedures engagement was performed August 28, 2012 through November 21, 2012, at the following locations: Central Court Building (CCB), Custody Service Center (CSC), Luhrs Building (LUHR), Northport (NOR), Scottsdale (SCTD), Western Regional Center (WRC), and Sunnyslope (SUN).

AGREED-UPON PROCEDURES	FINDINGS
<b>Administrative Requirements</b>	
1. Determine if all financial transactions are recorded in an automated cash receipts journal and include: (a) Date payment was received, (b) Amount received, (c) Receipt/transaction number, and (d) Payment distribution by type (fine, criminal justice enhancement fund, medical services enhancement fund, bond, etc.) (MAS E.3.b)	COMPLY: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> <b>No</b> <input type="checkbox"/> NA  At CCB and LUHR, some financial transactions are not recorded in a cash receipts journal (e.g., Community Restitution and Drug Court Fees at CCB and Drug Court and Cognitive Copays at LUHR). (MAS E.3.b)
2. Verify if the court has posted the financial policies required by MAS in a conspicuous location in the court's main lobby accessible to the general public or next to each customer service station and includes the following: (a) A statement regarding the methods of payment that the court accepts, such as but not limited to, cash, certified checks, money orders, or credit cards, (b) A statement that a receipt will be provided for every payment made in person to the court, (c) A statement that the receipt provided by the court is proof of payment, and (d) A statement regarding the court's dishonored payment policy. (MAS E.5.a-E.5.d)	COMPLY: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> <b>No</b> <input type="checkbox"/> NA  The required financial policies were not posted at the SUN location. (MAS E.5.a-E.5.d)
<b>Safeguarding Monies and Financial Records</b>	
1. Determine through interviews, observation and by taking an inventory of the contents of the safe if the court safeguards accounting records such as receipts, checks, and monies received by the court as follows: (a) Store monies in a secure location from the moment they are received until they are deposited with the bank or local treasurer, (b) Retain, count, and handle all monies in a secure location that is not accessible to the public and is only accessible to authorized personnel until monies are deposited with the bank or local treasurer, (c) Maintain physical restrictions between the public and the areas where court monies and financial records are stored and allow only authorized access to those areas, (d) Display signs limiting admittance to areas where monies and financial records are stored, unless access is restricted by electronic access control, (e) Change safe keys and/or combinations upon either: i. Termination of employment of a person who was granted full access to a safe, unless access to the	COMPLY: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> <b>No</b> <input type="checkbox"/> NA  1(a & g) – At SCTD, monies are kept in a locked metal box under the front desk counter. This box has a large opening where monies could be easily accessed by hand. (MAS F.1 and F.7)  1(k) – At CSC, the bank bags and safe are not locked during operating hours. (MAS F.11)  1(k) – At WRC, the safe is left unlocked and open during operating hours and overnight with monies inside. However, the safe

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<p>court or area where the safe is located is restricted by electronic access control or; ii. Change of responsibility of an employee who was granted full access to a safe, unless the area where the safe is located is restricted by electronic access control, (f) Assign each cashier a unique user identification. The user identification shall only be used by the assigned user, (g) Each cashier shall individually secure the assigned cash drawer fund in a separate lockable drawer or locking bank bag at all times prior to reconciliation and verification, (h) Secure blank checks and credit card invoices in a safe, locked cabinet or secured area, (i) Secure all manual receipt books and ensure they are accessible only to authorized individuals, (j) Prohibit the use of signature stamps when signing financial documents such as checks. Courts may use a check signing machine to imprint authorized signatures on checks, (k) Keep cash drawers or bank bags, safes and vaults locked at all times when not in use, (l) Store monies overnight in a locked, immovable and fireproof safe or vault with restricted access, (m) Use locking bags or tamper-proof plastic bags to transfer court monies to the bank or local treasurer, (n) Court employees and authorized personnel who issue receipts on behalf of the court shall not keep court monies with their own personal funds, deposit court monies in a personal bank account or take court monies home with them upon departure, (o) Court staff shall not cash personal checks or purchase supplies using monies from the cash drawer fund, (p) Court staff shall not commingle personal monies with court monies including making personal change from the cash drawer fund or court monies or making change for court payments with personal monies, (q) Court staff shall investigate any shortage or overage of monies within one business day. If there is still a discrepancy, court staff shall document the discrepancy and report it to court management, and (r) Court staff shall not correct an original entry to any financial documents and/or instruments such as, but not limited to, a check or receipt by erasing or masking (correction tape/fluid) the entry. When correcting errors, court staff shall strikethrough the original entry, initial the correction entry, and obtain a second person's verification to validate the correct. Documentation of the verification shall clearly contain the second person's initials. (MAS F.1 – F.18)</p>	<p>is kept in a cabinet that remains locked at all times. (MAS F.11)</p> <p>1(l) - At 6 of 7 locations reviewed, portable safes were used. (MAS F.12)</p> <p>1(r) – We noted that correction tape was used on one receipt that was issued by CCB and maintained at CSC. (MAS F.18)</p> <p>Note 1: At CSC, monies are stored in a secure location until they are scanned and deposited electronically. However, the checks are not secured afterwards. Instead, they are placed in an unlocked safe (during business hours), until they are delivered to CCB for retention.</p> <p>Note 2: A partial exception for 1(l) was approved by the AOC for 2010, 2011, and 2012, which allows payments accepted by probation officers after hours to be placed in drop boxes that are not fireproof. All payments received before close of business are to comply with MAS F.12.</p>
<b>External Review by Auditors</b>	
<p>1. Review the final reports issued for the last external review and for the last operational review conducted by the AOC to determine if the court has addressed all financial findings noted in the reports.</p>	<p>COMPLY: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> NA</p> <p>The following exceptions were noted in the FY 2010 Maricopa County Internal Audit MAS</p>

AGREED-UPON PROCEDURES	FINDINGS
	<p>report, as well as this report:</p> <p>(1) Monies were receipted later than the next business day.</p> <p>(2) Manual receipts did not reflect the reason for the void.</p> <p>(3) Manual receipts were not cross-referenced to automated receipts.</p> <p>(4) Voided receipts did not include all original copies.</p>
Segregation of Duties	
<p>1. Through interviews, observation and review of documentation determine the following: (a) A second authorized person, other than the person performing that duty, verifies disbursements, deposits, voided receipts and daily and monthly reconciliations and documents the verification in a method that identifies the verifier such as initials, signature or other electronic identifiers, (b) A second authorized person, other than the person performing that duty, reviews all manual receipts issued on a daily basis and that the documentation of the review clearly contains the initials of the court employee who issued or voided the manual receipt as well as the authorized person who verified the issuance or voiding, and (c) Verify that a second authorized person signs checks prepared by someone else unless the check requires two signatures. (MAS H.1, H.2, and H.3)</p>	<p>COMPLY: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> NA</p> <p>At LUHR, (1) a second person does not verify the daily deposits, (2) 10 of 10 voided receipts did not contain documentation of a second person's review, (3) 32 of 32 daily reconciliations were not signed by the reviewer, and (4) 23 of 32 monthly reconciliations did not contain documentation of a second person's review. (MAS H.1)</p> <p>At NOR, 10 of 19 voided receipts did not contain documentation of a second person's review.</p> <p>At SCTD, 10 of 20 voided receipts did not contain documentation of a second person's review.</p> <p>At SUN, (1) 10 of 21 daily deposit reconciliations did not contain documentation of a second person's review, (2) 15 of 19 voided receipts did not contain documentation of a second person's review, and (3) 10 of 21 daily reconciliations did not contain documentation of a second person's review.</p> <p>At WRC, (1) 40 of 60 daily</p>

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	<p>deposit reconciliations did not contain documentation of a second person's review, (2) 10 of 20 voided receipts did not contain documentation of a second person's review, and (3) 40 of 60 daily reconciliations did not contain documentation of a second person's review.</p> <p>Note: An exception request for 1(b) was approved by the AOC for 2010, 2011, and 2012, and a daily review of manual receipt books is not required. (MAS H.2) Instead receipt books are to be reviewed when completed (i.e., after all receipts are issued). We found that the receipt books are not always reviewed timely. For instance:</p> <ul style="list-style-type: none"> <li>• At SCTD, some manual receipts were not reviewed until 6 months after the last manual receipt was written.</li> <li>• At SUN, some manual receipts were not reviewed until 5 months after the last manual receipt was written.</li> <li>• At WRC, some manual receipts were not reviewed until 3 months after the last manual receipt was written.</li> <li>• At NOR, some manual receipts were not reviewed until one month after the last manual receipt was written.</li> </ul>
<b>Cash Handling</b>	
<i>Acceptance of Payment</i>	
1. Observe the court's practice for accepting payments to determine if only court authorized personnel or electronic interfaces receipts payments on behalf of the court. (MAS I.1.a)	COMPLY: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> NA
2. Determine if payments received from defensive driving schools	COMPLY: <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> NA

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<b>AGREED-UPON PROCEDURES</b>	<b>FINDINGS</b>
are received in the form of business check, money order, wire transfer or electronic fund transfer. (MAS I.1.b)	APD does not process defensive driving payments.
<i>Endorsements</i>	
3. During count of cash drawers or cash bags and when staff opens the daily mail, determine if all checks and money orders payable to the court are properly and clearly endorsed with a restrictive endorsement stamp that reads “For Deposit Only – Payable To (account’s name)” upon receipt. (MAS I.2.a)	COMPLY: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> <b>No</b> <input type="checkbox"/> NA  At LUHR, during mail observation, 1 of 3 money orders was not endorsed upon receipt. (MAS I.2.a)
4. Determine through interviews and observations if checks and money orders payable to another court are not endorsed, and are sent to the proper court within two business days. (MAS I.2.b)	COMPLY: <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> NA
<i>Unidentified Monies</i>	
5. Determine if the court has a process to identify the defendant and case number when cash, checks, money orders are received without identifying information; and that the court receipts the unidentifiable funds into a suspense or hold account within the automated financial management system and deposits into the bank within one business day. (MAS I.3.a and I.3.b)	COMPLY: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> NA
6. Review the court’s “Unidentified Monies” file and verify if: (a) Copies or an electronic image of the checks or money orders, receipts and supporting documentation are retained by the court, and (b) Unidentified monies are reported and remitted as unclaimed funds pursuant to statute. (MAS I.3.c and I.3.d)	COMPLY: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> NA  NOR and WRC were the only locations with unidentified monies and there were no exceptions noted. All other locations reported not having unidentified monies.  APD reports that unclaimed funds are handled by COSC.
<i>Receipting</i>	
7. Determine if the court is receipting monies received no later than the next business day. (MAS I.4.a)	COMPLY: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> <b>No</b> <input type="checkbox"/> NA  At CCB and LUHR, auditors were unable to verify that the monies were receipted by the next business day, as the actual date of receipt could not be determined (i.e., receipts are not always issued and monies are not recorded in a cash receipts journal). (MAS I.4.a)  At NOR, 2 of 10 manual receipts were receipted into the Trust Accounting System two business

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AGREED-UPON PROCEDURES	FINDINGS
	<p>days later. (MAS I.4.a)</p> <p>At SCTD, 1 of 10 manual receipts was receipted into the Trust Accounting System two business days later. (MAS I.4.a)</p>
8. Determine if the receipts generated by the court reflect the date the monies were receipted. (MAS I.4.b)	COMPLY: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> NA
9. Select a random sample of at least 20 individual receipts (for bonds, fines, fees, surcharges, and restitution for all court levels; add child support, probate, and other trust monies for superior court) using the cash receipts journal as the source document. Determine if the individual receipts contain the following information (as applicable): (a) Name of court, (b) Case number, (c) Defendant's name, (d) Plaintiff's name, (e) Date payment was receipted, (f) Amount received, (g) Name and address of the third party payor making the payment (if available) and if not included on the case financial record, (h) Identification of person receiving the payment, (i) Method of payment such as cash, check, payment card or electronic fund transfer, and (j) Unique sequential receipt/transaction number. (MAS I.4.c and I.4.d)	COMPLY: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> NA
10. Sample 10 defensive driving school payments and verify if the monies from the defensive driving schools were receipted timely and payment was recorded in each defendant's case financial record. (MAS I.4.a and I.4.e)	<p>COMPLY: <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> NA</p> <p>APD does not process defensive driving payments.</p>
11. Determine if the court is receipting overpayments as an overpayment and not as a fine, surcharge, bond, or restitution. (MAS I.4.f)	<p>COMPLY: <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> NA</p> <p>APD reports they do not handle overpayments.</p>
<i>Manual Receipts</i>	
12. Determine if manual receipts are only used when the court's automated financial system is inoperable and manual receipts are entered into the automated management system by the end of the business day or as soon as the system is operable. (MAS I.5.a and I.5.d)	<p>COMPLY: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> NA</p> <p>Note: An exception request submitted and approved by AOC for 2010, 2011, and 2012, allows APD field officers to use manual receipt books as the primary receipt, with payments entered into the COSC cashiering system on the same day. No exceptions were noted.</p>
13. Review the court's manual receipt book and sample 10 manual receipts to verify the following: (a) Manual receipts are at least two-part forms, pre-printed with unique sequential numbers and the name of the court on each receipt. Receipts are issued in	<p>COMPLY: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> NA</p> <p>13 – At CCB, for 3 of 9 community restitution payments</p>

AGREED-UPON PROCEDURES	FINDINGS
<p>sequence within each book, (b) Manual receipts are entered into the financial automated system and are cross-referenced by receipt number, (c) A second person reviews the manual receipts and verifies receipts are issued in sequence, are recorded in the financial management system, and all receipts are accounted for and have actually been issued or voided, (d) There is documentation that a second person reviewed the manual receipts such as initials or signature, and (e) The court has an established written policy, procedure or guidelines to account for all unissued manual receipts at least quarterly. (MAS I.5.b, I.5.c, I.5.e and I.5.f)</p>	<p>from probationers, there was no documentation of the manual receipt. Additionally, APD reports that receipts are not issued for community restitution payments remitted by municipalities. (MAS I.5.c)</p> <p>13(b) – At CCB, 4 of 4 manual receipts were not entered into a financial automated system. (MAS I.5.d)</p> <p>13(b) – At NOR, 5 of 10 manual receipts were not cross-referenced to the automated receipt number. (MAS I.5.e)</p> <p>13(b) – At SCTD, 10 of 10 manual receipts were not cross-referenced to the automated receipt number. (MAS I.5.e)</p> <p>13(b) – At SUN, 10 of 10 manual receipts were not cross-referenced to the automated receipt number. (MAS I.5.e)</p> <p>13 (c) – For all manual receipts, as part of the completed manual receipts book audit, the reviewer does not verify that the receipts are issued in sequence. (MAS I.5.f)</p> <p>13(c) – At LUHR, there is no secondary review of manual receives to ensure all receipts are recorded in a financial management system. (MAS I.5.f)</p>
<p><i>Voided Receipts</i></p>	
<p>14. Select a sample of 10 automated and 10 manual voided receipts to determine that all voided receipts are not altered in any way, and if an error is made or a correction is needed, the receipt is marked “VOID” and the reason for voiding the receipt is noted on the receipt, unless the reason is indicated on the case financial record, and all copies of voided receipts are retained. Verify if a new receipt was issued for each voided receipt and that the voided receipt number is referenced on the replacement receipt. (MAS</p>	<p>COMPLY: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> NA</p> <p>At LUHR, 10 of 10 manual voided receipts did not document the reason for the void (MAS I.6.b) and 4 of 10 manual voided receipts did not have all copies of the voided receipt retained (MAS</p>

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I.6.a, I.6.b, and I.6.c)	<p>I.6.c).</p> <p>At NOR, 10 of 19 voided receipts did not reference the voided receipt number on the replacement receipt (MAS I.6.a), 3 of 19 voided receipts did not document the reason for the void (MAS I.6.b), and 1 of 19 voided receipts did not have all copies of the voided receipt retained (MAS I.6.c).</p> <p>At SCTD, 18 of 20 voided receipts did not reference the voided receipt number on the replacement receipt (MAS I.6.a) and 1 of 20 voided receipts did not document the reason for the void (MAS I.6.b).</p> <p>At SUN, 1 of 19 voided receipts did not reference the voided receipt number on the replacement receipt (MAS I.6.a).</p> <p>At WRC, 10 of 20 voided receipts did not reference the voided receipt number on the replacement receipt (MAS I.6.a) and 6 of 20 voided receipts did not document the reason for the void (MAS I.6.b).</p>
<i>Online Transactions</i>	
15. Determine if the court has a manual retrieval process for online transactions. If so, the court must retrieve and receipt the transactions to the case financial management system no later than the end of the next business day. (MAS I.8.a)	<p>COMPLY: <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> NA</p> <p>APD reports they do not accept online transactions for cash receipts.</p>
16. Determine if the court has an automated retrieval process for online transactions. If so, the court must receipt the transactions to the case financial management system no later than the end of the next business day. (MAS I.8.b)	<p>COMPLY: <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> NA</p>
17. Verify receipts associated with online transactions contain the following additional elements in the case financial record: online transaction date, online transaction number, and name and address of cardholder, if available; however, there shall be at a minimum,	<p>COMPLY: <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> NA</p>

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an audit trail to identify the cardholder's information for disbursement purposes. (MAS I.8.c)	
<b>Disbursements</b>	
1. Sample at least 10 disbursements to determine if disbursements were made only in the form of a check, credit to the payment card originally used to make the payment or an electronic fund transfer and that all checks and/or approved payment card adjustments or reversals were only signed by authorized signers. (MAS J.1.a and J.1.b)	COMPLY: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> NA
2. Verify checks issued by the court are pre-printed with sequential numbers, or electronically assigned and disbursed in sequential order. (MAS J.2)	COMPLY: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> NA
3. Sample 10 bond disbursements and verify bond monies were disbursed according to written court order and only to the individual who posted the bond or to the third party authorized to receive the monies by the person posting the bond. (MAS J.3.a and J.3.b)	COMPLY: <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> NA  APD reports that they do not handle bond disbursements.
4. Sample 10 restitution payments and verify restitution payments were disbursed to victims within the time requirements of ACJA § 5-204. (MAS J.4)	COMPLY: <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> NA  APD reports that they do not handle restitution payments.
5. Determine if the court has established written guidelines for refunding and disbursing overpayments and bonds. (MAS J.3.e and J.5)	COMPLY: <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> NA  APD reports that they do not handle overpayments and bonds.
6. For all sampled disbursements, verify the disbursements were recorded in the court's automated financial management system by the end of the next business day and disbursed within the time period prescribed in the court's written policies and procedures. (MAS J.6.a)	COMPLY: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> NA
7. For all sampled disbursements, verify each automated disbursement record contains the following: case number, party names, date check issued, check amount and/or converted amount, name of payee, check number, payment distribution (fines, surcharges, restitution, bond, etc.), amount disbursed and electronic fund transaction number, if applicable. (MAS J.6.b)	COMPLY: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> NA
8. Verify the court's disbursement journal contains the following at a minimum: date check issued, amount disbursed, name of payee, court check number, method of payment distribution, and electronic fund transaction number, if applicable. (MAS J.6.c)	COMPLY: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> NA
9. Verify voided checks are marked "VOID" on the face of the check and all voided checks are retained. (MAS J.7)	COMPLY: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> NA
10. Verify when the court issues replacement checks, the new check is issued following normal disbursement procedures and the court cross-references the new check number and cancelled check	COMPLY: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> NA

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number on all accounting records. (MAS J.10)	
11. If the court uses a petty cash fund, verify the court is following local policies and procedures regarding usage and reimbursement of the petty cash funds. (MAS J.11)	COMPLY: <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> NA
<b>Bank Accounts and Deposits</b>	
1. Examine a recent bank statement(s) for each account and verify that all bank and investment accounts are established under the name of the court, unless these accounts are maintained by the city, county or in the case of appellate courts, the state treasurer and are established in the name of the city, county or state. (MAS K.1.a)	COMPLY: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> NA
2. Determine if the court maintains a current list of all checking, investment and other bank accounts which includes the name and address of the banking institution, the account number, the account name, and the names of those authorized to sign checks or make withdrawals. (MAS K.1.b)	COMPLY: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> NA
3. Determine if the court maintains current signature cards for all bank and investment accounts involving court monies, unless the accounts are maintained by the city, county, or, in the case of appellate courts, the state treasurer and are established in the name of the city, county, or state. (MAS K.2)	COMPLY: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> NA
4. Determine if the court deposits cash, checks and money orders with the local treasurer or bank by the next business day the court and the treasurer are open when receipts exceed \$300.00 or at least weekly if receipts totaled less than \$300.00. (MAS K.3.c)	COMPLY: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> NA
5. Compare bank deposits to the cash receipts journal to determine if funds were deposited in the same form as received. (MAS K.3.b)	COMPLY: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> NA
<b>Reconciliation of Financial Records</b>	
<i>Daily Reconciliations</i>	
1. Determine through interviews and observation that each court employee responsible for a cash drawer fund verifies the beginning cash fund before usage. (MAS L.1.a)	COMPLY: <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> NA  APD does not have a beginning cash fund, as only checks and money orders are accepted.
2. Determine through interviews and observation each court employee responsible for a cash drawer fund reconciles and balances all monies received after each shift with the cash receipts journal. Verify the clerk signed and dated the daily cash receipts summary report used to document the reconciliation and that a second person verified the clerk's reconciliation and signed the report. (MAS H.1, L.1.b, and L.1.c)	COMPLY: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> <b>No</b> <input type="checkbox"/> NA  <b>At SUN, 10 of 21 daily reconciliations were not signed by the preparer and/or reviewer. (MAS H.1, L.1.b, and L.1.c)</b>  <b>At WRC, 40 of 59 daily reconciliations were not signed by the reviewer. (MAS H.1 and L.1.c)</b>  At CCB and LUHR, this test could

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	not be performed for Community Restitution and Drug Court Fees (CCB) or Drug Court and Cognitive Copays (LUHR), as these receipts are not recorded into a cash receipts journal.
3. Perform count of each cash drawer and reconcile total daily receipts to cash receipts journal for each clerk responsible for a cash drawer. (MAS L.1.b)	COMPLY: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> NA
4. Observe and verify preparation of the daily deposit and the reconciliation of the total daily receipts to the cash receipts journal and determine the daily cash receipts summary report or deposit ticket is signed and dated by the person preparing the deposit and by the second person reviewing and verifying the deposit and that documentation supporting the deposit is retained. (MAS H.1, L.1.b, and L.1.c)	COMPLY: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> <b>No</b> <input type="checkbox"/> NA  <p style="color: red;">At LUHR, a second person does not verify daily deposits. We were advised that deposits are reviewed monthly. However, for 23 of 32 deposits reviewed, there was no evidence of a monthly review. (MAS H.1 and L.1.c)</p> <p style="color: red;">At SUN, 1 of 21 daily deposit reconciliations was not signed by both the preparer and reviewer and 9 of 21 were not signed by the reviewer. (MAS H.1, L.1.b, and L.1.c)</p> <p style="color: red;">At WRC, 40 of 60 daily deposit reconciliations were not signed by the reviewer. (MAS H.1 and L.1.c)</p>
5. Using the cash receipts journal as the source document, verify total receipts for each day to the validated deposit ticket and credit card detail report, as applicable, and to the bank account statement. If monies are deposited with the local treasurer (city, county or state as applicable), verify total receipts for each day to the daily funds transmittal report and to the receipt issued by the local treasurer. (MAS L.2.c)	COMPLY: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> NA
6. Determine if the court retains the records of daily reconciliations performed and supporting documentation as required by the records retention schedule. (MAS L.4)	COMPLY: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> <b>No</b> <input type="checkbox"/> NA  <p style="color: red;">At WRC, for Standard payments, the daily cash receipts summary reports from the RFR system are not retained. (MAS L.4)</p>
<i>Monthly Reconciliations</i>	
1. Review and verify the reconciliation of the receipts journal for the month to the monthly remittance report submitted to the local treasurer (city, county or state as applicable) and compare to the	COMPLY: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> <b>No</b> <input type="checkbox"/> NA  <p style="color: red;">As noted above (page 1), at CCB</p>

**Adult Probation Department  
Summary of Findings**

<b>AGREED-UPON PROCEDURES</b>	<b>FINDINGS</b>
disbursement check issued. (MAS L.2.a)	and LUHR, some financial transactions are not recorded in a cash receipts journal (e.g., Community Restitution and Drug Court Fees at CCB and Drug Court and Cognitive Copays at LUHR). Therefore, there is no monthly reconciliations of those monies.
2. Review and verify the reconciliation of all bank accounts maintained by the court. Reconcile deposits with the receipts journal and checks written with the disbursements journal. (MAS L.2.b, L.2.c, and L.2.d)	COMPLY: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> NA
3. Review and verify the reconciliation of the court's record of open/outstanding bonds to the automated financial management system report and to all bank accounts and cash balances. (MAS L.2.e)	COMPLY: <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> NA
4. Review and verify the reconciliation of the petty cash fund, if used by the court. (MAS L.2.f)	COMPLY: <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> NA
5. Review all reconciliations and supporting documentation and determine if the reconciliations are performed timely and accurately, are signed and dated by the person performing the reconciliation, and are signed and dated by the second person reviewing and verifying the reconciliation. (MAS L.2.d and H.1)	COMPLY: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> NA
6. Determine if the court retains the following records for each bank account and reconciliations as required by the records retention schedule: (a) Copy of the bank reconciliation, (b) Record of outstanding checks, (c) Record of deposits in transit, (d) Bank statements, (e) Canceled checks, (f) Canceled deposit slips, (g) Bank issued debit and credit memos, (h) Monthly financial reconciliations and supporting documentation, and (i) Any documentation that requests the adjustment or void of a case financial record. (MAS L.3 and L.4)	COMPLY: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> NA
<b>Outstanding Checks</b>	
1. Determine if the court investigates all court checks outstanding for more than six months on a monthly basis, unless maintained by a city, county, or state financial agency. Determine if the court documents action taken or disposition of outstanding checks investigated and retains documentation in accordance with the records retention schedule, if the investigation is performed by the court. (MAS M.1)	COMPLY: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> NA
2. Determine if the court places a stop payment on outstanding court checks reported and remitted as unclaimed funds to the state pursuant to statute, unless the check indicates a date or number of	COMPLY: <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> NA

**Adult Probation Department  
Summary of Findings**

<b>AGREED-UPON PROCEDURES</b>	<b>FINDINGS</b>
<p>days after which the check becomes void and the check has not been cashed by that date or number of days. Determine if the court retains documentation of outstanding checks reported and remitted to the Department of Revenue or County Treasurer as unclaimed funds and review the report for the prior year. (MAS M.2 and J.8)</p>	
<b>Bonds</b>	
<p>1. Determine if the court reviews monthly pending and outstanding bonds posted more than 90 days. Sample 5 bonds posted more than 90 days to verify the court took action on the bonds, i.e., reviewed by judge and ordered to hold bond, refund bond, forfeit bond, etc. (MAS N)</p>	<p>COMPLY: <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> NA</p>
<b>Reporting</b>	
<p>1. Select one month's remittance report and determine if the report and monies are remitted to the local treasurer (city, county, or state as applicable) and that the court received documentation acknowledging the submission of the report. (MAS O.2)</p>	<p>COMPLY: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> NA</p>