



Maricopa County

Internal Audit Department

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To: Maricopa County Board of Supervisors

From: Ross L. Tate, County Auditor

Subject: Audit Report: Superior Court Finance Cash Handling

Date: November 8, 2013

Conclusion: Internal controls need to be strengthened to properly safeguard cash receipts, including formalizing policies and procedures.

Observation: We reviewed cash handling operations to determine if essential cash controls were in place. Weaknesses were identified in most areas of the cash receipting cycle, including recording, depositing, and reconciling revenues. These weaknesses greatly increase the risk of fraud, waste, and abuse.

Superior Court Finance processed \$4.4 million in cash receipts in FY 2013, predominantly in the form of checks (80%) and wire transfers (20%). A very small amount of currency was recorded (less than 1%). Cash receipt sources are summarized below.

SUPERIOR COURT FINANCE FY 2013 CASH RECEIPTS (Source: Superior Court Finance, unaudited)	
Grants	\$ 3,417,514
Lengthy Trial Reimbursement (from Town/City/State)	920,368
Donations from Jurors	29,568
Vendor Refunds/Reimbursement/Rebates	14,592
Other	11,216
TOTAL	\$ 4,393,258

Our objective was to determine that adequate cash controls were in place to properly safeguard cash receipts. Our scope of work included cash handling operations in place during FY 2013 and FY 2014 (through 9/11/13).

We issued a detailed report to the Superior Court. Court management concurred with our recommendation that internal controls should be strengthened to ensure that cash receipts are properly safeguarded, and they provided a corrective action plan.

This report is intended primarily for the information and use of the County Board of Supervisors, County leadership, other County stakeholders, and Judicial Branch leadership. However, this report is a matter of public record and its distribution is not limited.

This audit was approved by the Board of Supervisors and was conducted in conformance with the International Standards for the Professional Practice of Internal Auditing. If you have any questions about this report, please contact Eve Murillo, Deputy County Auditor, at (602) 506-7245.