



Maricopa County

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To: Maricopa County Board of Supervisors

From: Ross L. Tate, County Auditor

Subject: Agreed-Upon Procedures Review: The Clerk of the Superior Court,
Minimum Accounting Standards (MAS)

Date: July 15, 2015

Results: We reviewed the Clerk of the Superior Court for compliance with Minimum Accounting Standards (MAS) set forth by the Supreme Court of Arizona, Administrative Office of the Courts (AOC). The compliance rate was 71%, a 2% increase from the previous review three years ago.

Observation: We tested 48 of 55 AOC standards (7 were not applicable in the test period). The standards were developed to bring financial operations into compliance with statutes and generally accepted accounting principles and to standardize accounting practices.

The main areas of noncompliance were cash handling (e.g., manual receipts were not cross-referenced in the financial system), reconciliations of financial records (e.g., daily reconciliation documentation was incomplete), and segregation of duties (e.g., manual receipts and daily reconciliations were not verified by a second person). These types of exceptions increase the risk that errors and/or fraud could occur and go undetected. We issued a detailed report to the AOC and Clerk of the Superior Court.

Objective: We performed this review to assist AOC in determining compliance with MAS as set forth in the agreed-upon procedures.

Every three years, Arizona courts are required to have an independent MAS review. The review is an agreed-upon procedures engagement in which an independent accountant performs standard audit procedures set forth by AOC. Our work results in cost savings to the County, as outside consultants are not hired for this mandated review.

This report is intended primarily for the information and use of the County Board of Supervisors, County leadership, and other County stakeholders. However, this report is a public record and its distribution is not limited. This engagement was approved by the Board of Supervisors and was conducted in accordance with the International Standards for the Professional Practice of Internal Auditing, and standards established by the American Institute of Certified Public Accountants. If you have any questions about this report, please contact Toni Sage, Audit Manager, at 602-372-1004.