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REPORT NO. 01-633

DATE

Daniel J. Becker, State Court Administrator
Administrative Office of the Courts
450 South State Street
SLC, Utah 84114-0241

Dear Mr. Becker:

We have reviewed the following District and Juvenile Courts for the year ended December 31, 2000.

Sixth Judicial District

Sanpete County Juvenile Court
Sevier County District Court
Sevier County Juvenile Court*
Wayne County District Court

Piute County District Court
Garfield County District Court
Kane County District Court
Kane County Juvenile Court*

*These courts were tested together as one court since the Sevier County Juvenile Court does the accounting for the Kane County Juvenile Court.

We performed the procedures enumerated below to certain accounting records and to aspects of internal control of these courts:

1. We reviewed the cash receipting, cash disbursing, recording, and reconciliation duties for adequacy of separation of duties for internal control purposes.
2. We reviewed the internal control over cash receipting procedures, including accounts receivable, and tested samples of cash receipts' transactions at each court.
3. We reviewed the cash disbursement procedures in order to gain an understanding of the internal control over the disbursement of trust funds and determine if the controls had been placed in operation.
4. We reviewed the courts' detail trust fund records to determine that they agreed to the actual funds held in the trust accounts. We determined if the courts' trust bank accounts were being reconciled monthly and reviewed one monthly reconciliation at each court for unusual reconciling items. We also tested a sample of trust fund cases at each court that had been held for more than one year to determine if the funds were properly being held in the trust accounts or should have been disbursed.

5. We tested a sample of accounts receivable balances to determine if they were valid and if collection efforts were being performed.
6. We also reviewed internal control over and counted petty cash funds.

The above procedures were performed to assist the Administrative Office of the Courts (AOC) and the individual courts in evaluating their internal controls, procedures for collecting, recording, and distributing of all court imposed funds, and compliance with State laws and State Court policy.

In addition to our review of the courts, we performed procedures at the Department of Corrections for the year ended June 30, 2001 to determine the accuracy of the Adult Probation and Parole Offender Obligation System by examining court orders. During our review of the Department of Corrections, we noted a certain matter involving the accuracy of a court order issued from the First District Court – Cache County.

Our procedures were more limited than would be necessary to express an audit opinion on compliance or on the effectiveness of the courts' internal control or any part thereof. Accordingly, we do not express such opinions. Alternatively, we have identified the procedures we performed and the findings resulting from those procedures. Had we performed additional procedures, or had we made an audit of the effectiveness of the courts' internal control, other matters might have come to our attention that would have been reported to you.

Our findings resulting from the above procedures are included in the attached findings and recommendations section of this report. We feel that Findings 1 and 2 are significant findings to the AOC due to the number of court locations with these weaknesses. Other findings identified as significant weaknesses on the Table of Contents are considered significant to the individual court locations. If these weaknesses are left uncorrected, an unacceptable amount of errors or misappropriations within those individual areas could occur without detection.

This report is intended solely for the information and use of the AOC and the courts we reviewed, and is not intended to be, and should not be, used by anyone other than these specified parties. This report has been organized with findings directed to the AOC, followed by those directed to the individual courts reviewed. The findings directed to the AOC include those that are common to all or some of the courts reviewed, and those that we want to bring to the AOC's attention and that require specific action by the AOC.

By its nature, this report focuses on exceptions, weaknesses, and problems. This focus should not be understood to mean there are not also various strengths and accomplishments. We appreciate the courtesy and assistance extended to us by the personnel of the AOC and the courts during the course of the engagement, and we look forward to a continuing professional relationship. If you have any questions, please call Debbie Empey, Audit Director, at 538-1342.

Sincerely,

Auston G. Johnson, CPA
Utah State Auditor

cc: Heather Mackenzie-Campbell, Internal Audit Director
Fred E. Jayne, Financial Manager
Myron Marsh, Deputy State Court Auditor

ADMINISTRATIVE OFFICE OF THE COURTS
FOR THE YEAR ENDED DECEMBER 31, 2000

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ADMINISTRATIVE OFFICE OF THE COURTS

ADMINISTRATIVE OFFICE OF THE COURTS

FINDINGS AND RECOMMENDATIONS FOR THE YEAR ENDED DECEMBER 31, 2000

1. INADEQUATE SEPARATION OF DUTIES (Significant Weakness)

We commend the courts for their efforts and improvement in separating duties related to cash receipting, cash disbursing, and record keeping. Most of the courts reviewed were very conscientious of separating duties and had implemented independent review procedures as a compensating control for duties that could not be adequately separated.

Four courts (Wayne, Kane, Piute, and Garfield County District Courts) still have some weaknesses related to inadequate separation of cash receipting, cash disbursing and record-keeping duties. Wayne, Kane, and Piute County District Courts did not fully implement the accounting model developed by the Administrative Office of the Courts, and Garfield County District Court was unaware that such a model existed.

Recommendation:

We recommend that the Administrative Office of the Courts (AOC) work with the individual courts to ensure that duties are properly separated or, when necessary, that appropriate compensating controls are implemented.

Response:

The AOC has amended the county district court contract emphasizing the County Clerk's responsibility to ensure duties are separated adequately in the court office. In addition, the AOC Audit Department presented training to contract district court employees on correcting separation of duty weaknesses and the accounting model on October 11, 2001. Each County Clerk is required to complete and submit a "Separation of Duties" form and "Internal Control Questionnaire" to the AOC Audit Department. AOC Audit will provide feedback to each County Clerk to ensure duties are separated to the extent possible, and independent reviews of transactions are performed to compensate for separation of duty weaknesses by February 2002.

2. ACCOUNTS RECEIVABLE WEAKNESSES (Significant Weakness)

We noted the following weaknesses during our sample testwork of outstanding accounts receivable:

a. Inaccurate Accounts Receivable Listings

At three of the eight courts reviewed (Sevier, Wayne, and Piute Courts), the courts' accounts receivable listings were inaccurate. The courts have not removed accounts receivable from the system for cases that have been closed or dismissed with no additional funds due the

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courts. Only cases that have valid receivables due to the courts should be recorded on an accounts receivable listing.

An accurate accounts receivable listing is a control statement that documents the total of all outstanding accounts. This listing can be used to ensure that all accounts receivable are reviewed for timely payment. Inaccurate accounts receivable balances on the listing prevent the courts from using the listing to ensure that adequate collection efforts have been made.

b. Inadequate Collection Efforts

Six of the eight courts reviewed (Sevier, Wayne, Piute, Garfield, and Kane County District Courts and Sevier County Juvenile Court) have not performed adequate collection efforts on accounts receivable. For some of the receivables tested, no collection efforts had been made. Insufficient pursuit and collection of accounts receivable results in lost revenues to the State. Also, collection becomes more difficult as delinquent accounts age.

Recommendation:

We recommend that the Administrative Office of the Courts work with the individual courts to:

- a. **Correct the inaccurate accounts receivable listings.**
- b. **Ensure that appropriate collection efforts are made for all accounts receivable.**

Response:

- a. *Currently, the AOC Court Services Team is assisting all district courts statewide in reviewing accounts receivable listings and identifying applicable accounts receivable for transfer to the Adult Probation & Parole (AP&P) computer accounting system. During this process, accounts receivable listings will be reviewed for accuracy with a projected completion date of February 2002.*
- b. *The AOC Court Services Team will assist each district court in implementing accounts receivable monitoring procedures so collection efforts are performed in a timely manner. They will work with each court to review and/or revise their collection process with a projected completion date of February 2002.*

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3. WEAKNESS IN CORIS ACCOUNTING SYSTEM

During the course of our audit, we found inaccurate, past-due balances on the accounts receivable listings that were caused by a computer programming error in the CORIS accounting System. Whenever a defendant had both trust and revenue accounts receivable balances, any payments received would first be applied to the trust account receivable. Once the trust account receivable was paid in full, any other payments received would be applied to the revenue account receivable. This causes the revenue account receivable to be shown as past-due even though the defendant was paying as ordered by the court. Inaccurate aging of balances on the accounts receivable listing causes inefficiencies in the courts' collection efforts.

Recommendation:

We recommend that the AOC correct this computer programming problem to ensure that the past-due trust and revenue accounts receivable balances will be accurate.

Response:

A CORIS task requiring 60 hours of programming time has been submitted to the CORIS User Group to be completed in February 2002. We agree that the accounts receivable listings should be linked so when a trust payment is received both the trust receivable and the revenue receivable due dates are adjusted accordingly. This will ensure that an account receivable reported as past due is indeed past due, thereby reducing the clerical time required to monitor past due cases.

SIXTH JUDICIAL DISTRICT COURTS

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SANPETE COUNTY JUVENILE COURT – MANTI

4. **INADEQUATE DOCUMENTATION AND INCORRECT SURCHARGE CALCULATION** (Significant Weakness)

At the Sanpete County Juvenile Court, we reviewed 25 cash receipts and noted the following errors:

- a. For 4 cash receipts (2 bail payments and 2 fine payments), the amounts assessed were not consistent with the Uniform Fine/Bail Schedule. The Court raised and/or lowered the amounts assessed for the offenses, usually when there were multiple offenses involved, but did not have judicial orders or other written documentation in the case files to support the deviations. According to Rule 4-302 of the Code of Judicial Administration, the Court should assess the fine amounts recommended in the Schedule unless mitigating or aggravating circumstances warrant a deviation. Furthermore, the Court should maintain documentation to support any deviations from the Schedule.
- b. For 9 cash receipts (7 bail payments and 2 fine payments), the surcharge required by *Utah Code* Section 63-63A-1 was not remitted to the State Treasurer correctly. Three of these cases were the same as those noted in a. above. In 8 of these instances, the Court did not calculate or remit a surcharge at all, although the offenses required one. In 1 instance, the Court calculated and remitted a surcharge, although the offense did not require one. For the cases involving bail payments, the Court does not calculate surcharges on bail notices. For the cases involving fine payments, the Court calculates surcharges at the time the judge assesses the fines when the defendants appear in court. The Court should comply with State law by calculating and remitting the proper surcharge to the State on all applicable offenses, whether paid by fine or bail. Failure to remit the proper surcharge results in lost revenue to the State and non-compliance with State law.

Recommendation:

We recommend that the Sanpete County Juvenile Court:

- a. **Document all deviations of bail and fine amounts from the Uniform Fine/Bail Schedule.**
- b. **Remit the proper surcharges on all applicable violations to the State.**

Response:

- a. *In a Bail Schedule dated June 1994 there is the following sentence: When multiple traffic offenses are included in a single episode, identify the offense with the largest recommended*

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fine, add \$10 for each additional traffic offense. Intake staff, who code it for bail amount, interpreted that statement to mean any additional offenses were to be bailed at \$10. There has not been any thing published regarding that sentence in the 1994 bail schedule to date. Effective immediately, this practice will discontinue.

- b. *The cases identified are related to the 1994 bail schedule question raised in a. – it states to add \$10 for additional offenses and does not discuss surcharge. The clerk has also relied on the computer to default those surcharges and the computer is not programmed to recognize all offenses. The Clerk of Court will provide the clerk the breakdown of fine and surcharge for all offenses and provide training to ensure the correct fine and surcharge amounts are assessed no later than Tuesday, October 9, 2001.*

5. INCORRECT PAYMENT OF FINE BEFORE SURCHARGE (Significant Weakness)

At the Sanpete County Juvenile Court, we reviewed 25 cash receipts and noted two installment payments in which the surcharge was not collected before the fine. According to *Utah Code* Section 63-63a-2(1), “the amount of the surcharge ... shall be collected before any fine and deposited with the state treasurer.” In one case, the payment was split equally between the fine and the surcharge instead of first being applied entirely to the surcharge. In the other case, after the restitution was fully paid, the amount collected was allotted to the fine instead of the surcharge. Failure to allocate payments in the correct order between the fine and surcharge results in delayed revenues to the State.

Recommendation:

We recommend that the Sanpete County Juvenile Court ensure that after any restitution amounts are collected, all additional amounts collected are first applied to the surcharge and then to the fine.

Response:

The clerk in the Sanpete Juvenile Court indicates she is aware that surcharge is to be paid first and always uses the computer default to allocate money receipted. The clerk will make sure in the future that money being receipted is going to surcharge first.

6. INCORRECT CASH COUNT FORM

At the Sanpete County Juvenile Court, we tested 25 cash receipts and noted one bank deposit for which the cash count forms did not agree to the detail receipt listing for a two-day batch of cash receipts. The cash count forms indicate that the total amount received was \$389, but the

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detail receipt listing shows a total amount received of \$1,066 for those two days. Although the detail receipt listing did agree to the amount deposited, the daily cash count forms should still be accurate and agree to the detail receipt listings. Interestingly, the cash count forms were approved even though they were not accurate. In addition, because of this discrepancy, the Court cannot reconcile the cash/check composition of the deposit to what was actually received. This could lead to errors or fraud occurring and going undetected.

Recommendation:

We recommend that the Sanpete County Juvenile Court ensure that all receipts are recorded on the cash count forms and that the cash count forms agree to the detail receipt listing and the bank deposit.

Response:

This was a situation where the clerk from another office traveled to the Manti Office to do the accounting as the Manti clerk was out of the office for an extended period of time. The clerk failed to complete a cash count form for herself. This has been addressed and will not occur in the future. The cash count forms which were approved were accurate; it was the missing cash count form which caused the error. This problem was also documented in the July 2000, external review report. This review is done monthly by an assigned clerk.

7. **LACK OF SUPPORTING DOCUMENTATION**

Two of the 25 accounts receivable adjustments we tested at the Sanpete County Juvenile Court did not have supporting documentation. All accounts receivable adjustments should be accompanied by a court order and/or supporting documentation. Adjustments were made to the cases converting all fines owed to work hours; however, we could not determine the propriety of the adjustments due to missing court orders. Maintaining supporting documentation in case files is necessary to ensure that improper adjustments are not made.

Recommendation:

We recommend that the Sanpete County Juvenile Court maintain copies of all court orders or other supporting documentation for all adjustments to accounts receivable.

Response:

The clerk reviewed the record in this matter and an amended order, conforming with the verbatim record, has been signed by the judge.

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8. **INADEQUATE DOCUMENTATION OF NON-JUDICIAL ASSESSMENT**

Of 25 cash receipts reviewed at the Sanpete County Juvenile Court, there was one receipt for \$25 related to a case in which the matter was to be reverted to a Non-Judicial Assessment (NJA); however, there was no written non-judicial agreement which would have included what amount should be paid. When the Court handles a case as an NJA, there should be a written agreement, including specification as to the amount to be paid or the hours to be worked. Without adequate supporting documentation, the Court cannot determine that the proper dollar amount or hours worked have been collected or satisfied.

Recommendation:

We recommend that the Sanpete County Juvenile Court ensure that there is adequate documentation of Non-Judicial Assessments, including amounts.

Response:

In October 2001, the clerk reviewed the court videotape for this case and prepared an amended order, which was signed by the judge.

SEVIER COUNTY DISTRICT COURT – RICHFIELD

9. **ACCOUNTS RECEIVABLE WEAKNESSES** (Significant Weakness)

We noted the following weaknesses during our testwork of 25 outstanding accounts receivable at the Sevier County District Court:

- a. The Court is not always updating their accounts receivable listing to reflect new or adjusted court orders. One out of the 25 accounts receivable we reviewed had inaccurate amounts due on the receivable listing. An accurate accounts receivable listing is a control statement that documents the total of all outstanding accounts. This listing can be used to ensure that all accounts receivable are reviewed for timely payment. Inaccurate accounts receivable balances on the listing prevent the Court from using the listing to ensure adequate collection efforts have been made.
- b. The Court is not following the State's policy for making adequate collection efforts. Two out of the ten accounts receivable we reviewed which were under the supervision of the Court were more than 60 days overdue but the Court had not attempted to collect on these accounts. According to State Finance Policy 06-01.13, accounts that are 61 days past due should be sent to the Office of State Debt Collection. Insufficient pursuit and collection of

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receivables results in lost revenues to the State. Also, as delinquent accounts age, their collection becomes more difficult.

Recommendation:

We recommend that the Sevier County District Court:

- a. Maintain an accurate accounts receivable listing by updating the listing to reflect any new or adjusted court orders.**
- b. Review accounts receivable on a regular basis and ensure that appropriate collection efforts are made for all accounts receivable. In addition, the Court should transfer all accounts 61 days or more past due to the Office of State Debt Collection as required by State policy.**

Response:

- a. The court is doing three things to ensure the accuracy of account receivables: Judgments – when the judgment is submitted the clerk matches the judgment to the account receivable on the computer and adjusts if necessary; Collections – the collections clerk when researching overdue accounts pulls the files, matches the judgment against the account receivable on the computer; Quality control reviews – a clerk assigned to review at minimum 20% of the cases on each calendar, one of the areas checked is the account receivable. This has been our practice since 1997.*
- b. Since the audit, both defendants received an overdue letter in February 2001 and both cases were sent to OSDC in March of 2001. It is the policy of the Sixth District to send one overdue letter at the time an account becomes 30 days overdue, and to send cases to the OSDC once a case becomes 61 days overdue. (There was a period of time when we were not using the correct overdue report and not all cases were being identified.) The exceptions to this policy are cases in which the defendant is supervised by Adult Probation and Parole, the defendant, although overdue, is making regular payments to the court, and cases in which a judge has determined it will be held locally. This policy has been in effect for several years.*

10. INADEQUATE REVIEW OF TRUST FUND CASES

Based on our review of trust accounts, the Sevier County District Court is not performing a quarterly review of cases in which trust money is being held, as required by the Utah State Courts Accounting Policy and Procedures Manual (AOC Policy). As a result, in 1 of 5 cases reviewed, the \$2,500 cash bail should not have remained in the trust fund. The Court should

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perform a quarterly review to determine if the amount held in trust for each applicable case is still proper, or if the amount should be disbursed to the individual, forfeited, or sent to the State Division of Unclaimed Property. If a quarterly review is not performed, funds could be improperly held in the trust fund for extended periods of time.

Recommendation:

We recommend that the Sevier County District Court perform quarterly reviews of all cases for which trust money is being held to determine if holding the money is still proper or if action needs to be taken to forfeit the amount, return the amount to the person who posted it, or disburse the amount to Unclaimed Property.

Response:

The procedure for trust fund review, has been to review money available to disburse on the 1st and 3rd Wednesday of each month; however, bail money was not being addressed in those reviews. There is now in place a policy and procedure to review trust fund cases on a monthly basis, through using the Bail and Cash Bond Accounts with Disposition report and releasing moneys when appropriate.

WAYNE COUNTY DISTRICT COURT – LOA

11. **INADEQUATE SEPARATION OF DUTIES** (Significant Weakness)

The Wayne County District Court has not fully implemented the AOC's accounting model and, as a result, the following separation of duties weaknesses were noted at the Court:

- a. One Deputy Clerk has access to cash receipts; handles NSF checks; records transactions in the docket, manual general ledger, and the County accounting system; initiates the write-off of accounts receivable; and reviews expected receipts. An independent review of delinquent accounts and write-offs/adjustments, and an independent reconciliation of cash/checks received to amounts deposited, as recommended in Finding No. 13, could compensate for this separation of duties weakness.
- b. Another Deputy Clerk and the County Clerk/Auditor have access to the Court's cash receipts; handle NSF checks; and record transactions in the docket, manual general ledger, and the County Clerk/Auditor also records transactions in the County's accounting system. An independent reconciliation of cash/checks received to amounts deposited could compensate for this separation of duties weakness (see Finding No. 13).

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Inadequate separation of duties exists when the same individual has custody of assets and has recording and/or reconciling duties. Without adequate separation of duties, misappropriation, errors, and fraud could occur without detection. In situations where it is not possible to separate the duties, compensating controls should be implemented.

Recommendation:

We recommend that the Wayne County District Court either separate the duties or implement compensating controls.

Response:

We will separate duties by using the separation of duty form from the accounting manual and the Clerk of the Sevier County District Court will perform external reviews beginning December 2001.

12. **ACCOUNTS RECEIVABLE WEAKNESSES** (Significant Weakness)

We reviewed five outstanding accounts receivable and two cases with fines at the Wayne County District Court and noted the following weaknesses:

- a. The Court has inaccurate accounts receivable balances as follows:
 - 1) One account receivable balance was listed as \$800 when it should have been \$5,000. The defendant was fined \$5,000 plus the appropriate state surcharge; however, if the defendant successfully completed a two-year period of probation under the direction and control of AP&P, all but \$800 of the fine and surcharge would be suspended. Even though the defendant had not yet completed his probation, the account receivable was tracked as if the fine ordered was only \$800.
 - 2) One account receivable balance was listed as \$0 when it should have been \$2,500. The defendant was fined \$2,500 plus the state surcharge. However, if the defendant successfully completed a one-year period of probation, the entire fine would be suspended. Even though the defendant had not yet completed her probation, the Court treated the fine as being suspended.

These cases may be a result of a misunderstanding of AOC policies and procedures. This has resulted in inaccurate accounts receivable listings. An accurate accounts receivable listing is a control statement that documents the total of all outstanding accounts. This listing can be used to ensure that all accounts receivable are reviewed for timely payment.

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Inaccurate accounts receivable balances on the listing prevent the Court from using the listing to ensure adequate collection efforts have been made.

- b. The Court is not following the State's policy for making adequate collection efforts. Four of the seven accounts receivable we reviewed were more than 60 days overdue. All four accounts had overdue balances ranging from 2 ½ months to over two years, but the Court had not made adequate collection efforts on these accounts. According to State Finance Policy 06.01-13, accounts that are 61 days past due should be sent to the Office of State Debt Collection. Insufficient pursuit and collection of receivables results in lost revenues to the State. Also, as delinquent accounts age, their collection becomes more difficult.

Recommendation:

We recommend that the Wayne County District Court:

- a. **Maintain an accurate accounts receivable listing.**
- b. **Review accounts receivable on a regular basis and make appropriate collection efforts, and transfer all accounts 61 days or more past due to the Office of State Debt Collection as required by State Finance Policy.**

Response:

- a. *We will review the accounts receivable listing and corresponding case files to ensure the receivables are valid. Case account receivables, where the defendant was sentenced to probation with AP&P, will be reviewed to ensure the A/R is set up at the amount ordered. If a judicial order allows for credit/suspension of part or the entire fine pending compliance with a specific action, the fine A/R will be created at the full amount when ordered. The fine will be credited/suspended when proof of compliance is presented to the court and filed in the case file.*
- b. *We are on the state CORIS system now and through that program we are following policy and monitoring account receivables at this time and sending accounts to the Office of State Debt Collection as needed.*

13. CASH RECEIPTING WEAKNESSES (Significant Weakness)

During our review of cash receipts at the Wayne County District Court, we noted the following weaknesses:

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- a. The Court does not perform an independent reconciliation of cash/checks received to amounts deposited. The initial pre-numbered receipts should be traced to a validated deposit by someone independent of cash receipting responsibilities. Not tracing initial receipt records to a validated deposit could allow for the misappropriation of cash receipts to occur without detection. As an example, during our cash receipt sample testwork, we found an envelope containing an undeposited check in the amount of \$525 dated 11 months prior. The balance due for this case was \$487. Because the payment received exceeded the balance due, a refund check was issued to the payor in the amount of \$38 upon receiving the initial payment; however, the initial payment was never deposited. An independent reconciliation would have caught this error.
- b. Cash/checks are not adequately safeguarded. Cash/checks are kept in the Court's pre-numbered receipt book on an employee's desk until the end of the day, at which time they are recorded and kept in the County Auditor's receipt book. The cash receipts are kept in the County Auditor's receipt book until they are taken to the County Treasurer/Recorder to be deposited. Neither of these receipt books are locked up at night. Cash receipts should be kept in a secure location at all times. Not adequately safeguarding cash receipts increases the risk of theft and misappropriation.
- c. When non-sufficient funds (NSF) checks are exchanged for other checks/cash or are redeposited, no record is made of their receipt. In addition, no record of NSF checks is made in the case files. NSF checks should be noted in the case files to reflect the non-payment, and if they are redeposited or exchanged, these funds should be recorded as any other payment would be recorded. Failure to record NSF checks increases the risk of errors or misappropriations without detection.
- d. The Court does not document the cash/check composition of receipts. The Court should track the cash/check composition and reconcile the composition from the cash/checks received to the validated deposit to help prevent misuse of funds.

Recommendation:

We recommend that the Wayne County District Court:

- a. **Have an individual independent of cash receipting responsibilities reconcile cash/checks received to amounts deposited.**
- b. **Adequately safeguard cash receipts.**
- c. **Record the redeposit or exchange of NSF checks and ensure that NSF checks are noted in the case files.**

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d. Track and reconcile the cash/check composition of cash receipts.

Response:

- a. *In the reference above, the payer was going to send a check for the balance due and we were to send the other check back to her. Inadvertently, the first check was not deposited when the checks had not been exchanged and the refund was given. We are following the CORIS program with the cash/check count each day as required with a reconciling supervisor not involved with cash receipting and this problem will not happen again. If only one person is in the Court on any day when funds must be received, reconciliation can be accomplished with the Wayne County Treasurer as the reconciling supervisor.*
- b. *The County Auditor cash receipt books are in the vault in our office space during the day and are locked in the vault at night. We are getting a locked bag for the Court cash receipts until the receipts can be turned to the County Treasurer. The deputy court clerk will control the locked bag for the cash receipts to reconcile each night and will have the key to her bag.*
- c. *The CORIS system allows the recording of the NSF check and also charges the \$20 NSF fee. We will avoid this error by the proper use of CORIS for the Court records.*
- d. *We are using the CORIS program to reconcile the cash/check composition of the cash receipts. The daily reconciliation will be reviewed at least monthly by the Clerk of the Sevier County District Court.*

14. UNTIMELY COLLECTION REMITTANCE

The Wayne County District Court is not remitting collections due to the State in a timely manner. Per *Utah Code* Section 51-4-2(4), the County is required to pay all funds due to and collected for the State during the month on or before the 10th day of the following month. Nine out of the twelve monthly remittances tested for calendar year 2000 were late with the latest being over two months after the required remittance date. Failure to remit the collected amounts in a timely manner each month violates State law.

Recommendation:

We recommend that the Wayne County District Court comply with State law by remitting collected amounts to the State by the 10th day of each month following collection.

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Response:

We are remitting State collected funds on or before the 10th day of the following month now. Because the funds are on the County system and disbursements must be approved by the Commissioners and sent by the County Treasurer, sometimes it is difficult to get the remittances to the State by the 10th but the remittances are being sent timely.

PIUTE COUNTY DISTRICT COURT – JUNCTION

15. **INADEQUATE SEPARATION OF DUTIES** (Significant Weakness)

The Piute County District Court has the following separation of duties weaknesses:

- a. The County Clerk has access to cash, initiates receivable write-offs, reviews expected receipts, is an authorized check signer, has access to blank checks, handles signed checks, reviews processed disbursements and records transactions in the general ledger.
- b. The Deputy Clerk has access to cash, initiates receivable write-offs, and records transactions in the general ledger.
- c. The Justice Court Clerk has access to cash, initiates receivable write-offs, and records transactions in the general ledger.

Inadequate separation of duties exists when the same individual has custody of assets, access to the accounting records, and/or has reconciliation responsibilities. Without proper separation of duties, misappropriations, errors, and fraud could occur without detection. In situations where it is not possible to separate the duties, compensating controls should be implemented. For instance, limiting the cash handling responsibilities by no longer having the County Clerk handle cash and checks, and conducting independent reviews of all delinquent accounts and write-offs/adjustments to accounts receivable would help compensate. Additionally, the Court has not implemented the AOC accounting model which would aid them in adequately separating duties.

Recommendation:

We recommend that the Piute County District Court use the accounting model developed by the AOC to either separate the duties or implement compensating controls.

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Response:

Our Court is working on a plan provided by the AOC to help with this weakness. The biggest problem we have is due to the size of our office. Sometimes there is only one person in the office during the day. As the County Clerk, I am also the County Auditor so some of the duties can not be separated. No one in this office initiates any receivable write-offs. We are also implementing an independent review by the Clerk of the Sevier County District Court.

16. **ACCOUNTS RECEIVABLE WEAKNESSES** (Significant Weakness)

During the course of our testwork at the Piute County District Court, we found the following weaknesses in accounts receivable:

- a. No accounts receivable listing is being kept that shows the outstanding receivable balances. Once a defendant comes in to make their first payment, the Court fills out a payment ledger and then files it in their payment book. If a defendant never comes in to make a payment, the Court might not pursue collection on the fine since there is no listing. Also, we noted three accounts receivable that had payment ledgers included in the payment books and showed outstanding balances even though the Court and/or the Board of Pardons had dismissed the remainder of the receivable. The payment ledgers were never updated to reflect the dismissals. The Court should establish an accounts receivable listing that shows each outstanding account balance. An accurate accounts receivable listing is a control statement that documents the total of all outstanding accounts. This listing can be used to ensure that all accounts receivable are reviewed for timely payment.
- b. The Court had made no collection efforts on any of the three accounts receivable we reviewed with outstanding balances. One of these cases has been outstanding since July of 2000, while the other two cases have been outstanding since 1997 and 1994. After establishing an accounts receivable listing, the listing should be updated and reviewed regularly to ensure that adequate collection efforts are performed on each outstanding account balance. Insufficient pursuit and collection of accounts receivable results in lost revenues to the State. Also, collection becomes more difficult as delinquent accounts age.

Recommendation:

We recommend that the Piute County District Court:

- a. **Establish an accounts receivable listing that shows each outstanding account balance.**
- b. **Regularly update and review the accounts receivable listing to ensure that appropriate collection efforts are made for all accounts receivable.**

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Response:

Our Court is establishing an accounts receivable list and since we are now on the CORIS system this should improve the review and collection process. We are also implementing an independent review by the Clerk of the Sevier County District Court.

17. **CASH RECEIPTING WEAKNESSES** (Significant Weakness)

During our review of cash receipts at the Piute County District Court, we noted the following weaknesses:

- a. The Court does not perform an independent reconciliation of cash/checks received to amounts deposited. The initial receipts should be traced to a validated deposit by someone independent of cash receipting responsibilities. Currently, the Deputy County Clerk, who has access to cash/checks, performs the reconciliation.
- b. The method of payment (i.e. cash, check, money order, etc.) is not being recorded on the receipts. Per AOC Policy, the receipt should always reflect the payment type. Also, someone independent of the cash receipting process should reconcile the method of payment from the deposit slips to the receipt book.
- c. The Court does not endorse checks until the time of deposit. All checks should be endorsed immediately upon receipt. This weakness increases the risk of errors or misappropriation.

Recommendation:

We recommend that the Piute County District Court :

- a. Have an individual independent of cash receipting responsibilities reconcile cash/checks received to amounts deposited.**
- b. Record the method of each payment on the corresponding receipt and reconcile the method of payment from deposit slips to the receipt book.**
- c. Endorse all checks immediately upon receipt.**

Response:

- a. The Clerk of the Sevier County District Court will be reviewing the receipts against the deposits.*

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- b. *We have implemented the procedure of recording the type of payment received.*
- c. *The County Treasurer is receiving all court payments and endorsing checks upon receipt.*

18. **INADEQUATE TRUST FUND CONTROLS** (Significant Weakness)

The following weaknesses related to the trust fund were noted at the Piute County District Court:

- a. No reconciliation of the trust fund is being performed. Someone independent of trust fund duties should reconcile the County's trust fund payment register to the receipt records and the bank statement to ensure that all trust funds are properly accounted for. They should also ensure that funds being held in the trust fund for an extended period of time are being appropriately held (see Finding No. 19).
- b. During our review of the trust fund checkbook, we noted that there were three blank trust fund checks that were signed. Trust fund checks should only be signed at the time of disbursement when the check information, including the amount, has been filled in and adequate supporting documentation has been reviewed.

The above weaknesses could result in the misappropriation of trust funds without detection.

Recommendation:

We recommend that the Piute County District Court:

- a. **Have someone independent of trust fund duties perform a periodic reconciliation of the trust funds being held to the trust fund records.**
- b. **Only sign trust fund checks at the time of disbursement when the check information, including the amount, has been filled in and adequate supporting documentation has been reviewed.**

Response:

Our Court is closing this account and all funds will go through the County Treasurer to adequately separate duties.

ADMINISTRATIVE OFFICE OF THE COURTS

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19. **UNTIMELY TRUST ACCOUNT DISBURSEMENTS** (Significant Weakness)

The Piute County District Court is not reviewing the trust accounts regularly to determine the disposition of the accounts and the funds being held. All six items in the trust fund (totaling \$2,800) had been held for terms ranging from one year to twelve years. Additionally, the Court had made no efforts to distribute five of the six items held in trust to the proper entity. The remaining item was distributed, but the check was never redeemed. AOC Policy states that trust accounts should be reviewed on a quarterly basis to determine that a requirement to hold the trust no longer exists, and reasonable efforts should be made to return the money to the party who posted it or distribute it to the party entitled to it. Also, per *Utah Code* Section 67-4a-207(1), any payment/refund which remains unclaimed by the owner for more than one year after it became payable or distributable is considered abandoned. AOC Policy requires that money or property which has been abandoned for one year as of December 31st must be remitted to the State Treasurer's Division of Unclaimed Property by May 1st of the following year.

Recommendation:

We recommend that the Court perform timely and adequate reviews of funds held in trust. We also recommend that the Court remit funds which are unclaimed for longer than one year or funds that are held for payees who cannot be located to the State Treasurer's Division of Unclaimed Property.

Response:

Our Court is in the process of disbursing all funds held in this account with any unclaimed property being turned over to the State Treasurer's Division of Unclaimed Property.

20. **IMPROPER USE OF CASH RECEIPTS**

During our review of the Piute County District Court deposit slips and receipt books we found the following problems:

- a. Cash receipts were used to cash a personal check of a Court employee. Per AOC Policy, court-collected cash cannot be used for cashing personal or business checks, traveler's checks, cashier's checks, or money orders.
- b. Cash receipts were used to make change when two personal checks were written to the Court for more than the amount due. Per AOC Policy, the clerk cannot give change on a personal or business check received for a payment; rather, personal or business checks must be written for the amount due.

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These problems could allow the misappropriation of funds to go undetected.

Recommendation:

We recommend that the Piute County District Court:

- a. Not cash personal checks.**
- b. Only accept checks written for the exact amount due.**

Response:

- a. Personal checks will no longer be cashed with court receipts.*
- b. Regarding accepting a check for the exact amount, this was a County check mixed in with Court funds for a Piute County History book that included postage. The funds needed to be separated for the different accounts.*

GARFIELD COUNTY DISTRICT COURT – PANGUITCH

21. **INADEQUATE SEPARATION OF DUTIES** (Significant Weakness)

Both clerks at the Garfield County District Court have access to cash through daily receipting and preparing deposits, initiate transactions, review expected receipts, and are able to adjust, credit, or write-off receivables in the CORIS system. An independent review of open cases, billings or account receivable adjustments, and an independent reconciliation of cash/checks received to amounts deposited, as recommended in finding No. 22, could compensate for this separation of duties weakness. The Court is not aware of the AOC accounting model that would aid them in separating duties.

Inadequate separation of duties exists when the same individual has custody of assets, collection and review responsibilities, access to accounting records, and/or reconciliation responsibilities. Inadequate separation of duties could allow misappropriations, errors, and fraud to occur without detection. In situations where it is not possible to separate the duties, compensating controls should be implemented.

Recommendation:

We recommend that the Garfield County District Court either separate the duties or implement compensating controls.

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Response:

The court has been provided with a current Utah State Courts Accounting Manual (hard copy) which will be reviewed by the Garfield County District Court Staff. In addition, a copy of separation of critical duties model has been provided to the staff. Several procedures have already been changed regarding daily receipting and deposits. The provided documentation will be reviewed and further compensating controls will be implemented and procedures changed prior to the calendar year end 2001. In addition, an External Review by the Clerk of the Sevier County District Court will be performed monthly beginning November 2001.

22. **INADEQUATE CASH RECEIPTING CONTROLS** (Significant Weakness)

We noted the following cash receipting weaknesses at the Garfield County District Court:

- a. The Court does not perform an adequate independent reconciliation of cash/checks received to amounts deposited. In addition, the Court does not perform a daily cash close-out. Initial receipts should be traced to a validated deposit on a daily basis by someone independent of cash receipting responsibilities. For 4 of 25 sample items tested, the amount of the daily deposit per the cash receipts journal did not agree to the cash/checks received; however, the County Treasurer signed the documentation indicating that the two matched. The reason that 3 of the 4 sample items did not match was because the Court does not perform a daily cash close-out. The daily receipting documentation and the cashier count-out report were prepared but were not closed out on CORIS; therefore, when cash/checks for one day were totaled and agreed to the cash receipts journal, they did not match because more than one day's cash receipts were included in the cash receipts journal totals. The reason that the 4th sample item did not match was due to the weakness indicated in b. below.
- b. No record is kept of the initial amount of cash/checks received on overpayments. If the Court receives a payment from a defendant in excess of the amount due, the Court will receipt into CORIS *only* what the defendant owes, and return the excess to the defendant either in person or by mail without keeping any record of the return of the overpayment. By not having an initial record of receipt which includes the entire amount of payments and by not recording returns of overpayments, the risk of misappropriation of funds without detection increases. Per the AOC overpayment policy, overpayments greater than \$10 should be receipted, deposited, and refunded by a trust check. Overpayments under \$10 should be retained as revenue unless a refund is requested, then the overpayment refunds should follow the procedure stated above.
- c. For 2 of 25 sample items tested, the witness did not sign the cashier count-out report. The dollar totals, including cash/check composition, should be recorded and verified for

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accuracy by a person independent of cash handling. Since there was no signature by the witness, we were unable to determine if the verification was performed.

- d. The cash and check composition of the daily receipts is not recorded on the deposit made to the City Treasurer. This information should be recorded on the deposit and should then be independently reconciled to daily receipts.

These weaknesses increase the risk of misappropriation of funds without detection.

Recommendation:

We recommend that the Garfield County District Court:

- a. **Have an individual independent of cash receipting responsibilities reconcile cash/checks received to amounts deposited and close out cash receipting journals daily.**
- b. **Record the initial amount of all cash/checks received and keep a record of all cash refunds.**
- c. **Have someone witness and document that the cashier count-out and cash/check composition are correct.**
- d. **Record the cash and check composition on the deposit to the City Treasurer and have someone independent of cash receipting agree the deposit to the Court's receipting documentation.**

Response:

- a. *During the period audited, the Court was in the process of making the transition to the CORIS system. Upon review of the four sample items, we determined that multiple receipts on more than one day were tied to a single deposit. Upon addition of the multiple receipts and comparison with the Cashier's Total Report of cash/checks received, they did in fact match the deposits signed by the County Treasurer. Since January 1, 2001, the Court staff has been diligent in making single receipts and daily deposits whenever possible. The Court makes a consistent effort to perform a daily cash close-out. However, because of the limited staff and computer/internet access problems, it is not always possible to perform a close-out daily. An independent monthly reconciliation will be performed by the Sevier County Clerk of Court during the monthly external review beginning November 2001.*
- b. *Beginning January 1, 2001 the Garfield County District Court Staff has receipted the full amount received into the CORIS system and provided documentation to the County Auditor*

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requesting a refund check for any overpayment amount of \$10.00 or more. A copy of the request for refund is included in the case file.

- c. Beginning January 1, 2001, all Cashier Count-out Reports are signed after verification is performed.*
- d. The cash/check composition is now recorded on the County Auditor receipt and verified by the County Treasurer. A copy of the Cashier Count-out Report is provided for reconciliation by the County Treasurer.*

23. **INADEQUATE TRUST FUND CONTROLS** (Significant Weakness)

The Garfield County District Court deposits trust fund receipts with the County. When a disbursement needs to be made from the trust fund, the Court submits a request to the County who then prepares the disbursement. The following weaknesses were noted at the Court:

- a. No reconciliation of the trust fund is performed. Someone independent of trust fund duties should reconcile the Court's trust fund records to the County's trust fund records to ensure that all trust funds are properly accounted for. They should also ensure that funds being held in the trust fund for an extended period of time are being appropriately held.
- b. Adequate supporting documentation does not always accompany the trust fund disbursement requests to the County. The County Clerk should review all requests to ensure they contain adequate supporting documentation and to verify that trust fund disbursements are proper.

These weaknesses could result in the misappropriation of trust funds without detection.

Recommendation:

We recommend that the Garfield County District Court:

- a. Have someone independent of trust fund duties perform a periodic reconciliation of the Court and County trust fund records.**
- b. Attach adequate supporting documentation to each trust fund disbursement request so that the County Clerk can verify that the disbursement is proper.**

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Response:

- a. *Trust fund reconciliation will be performed during the monthly external review beginning November, 2001. The County Auditor will provide a detail ledger of all transactions in trust accounts.*
- b. *Beginning January 1, 2001 all restitution has been receipted separate from Court fines and fees. A copy of the CORIS restitution payment receipt and the Auditor's receipt are provided as support documentation for the trust fund disbursements. The same procedure is followed for all trust fund disbursements.*

24. **INADEQUATE COLLECTION EFFORTS** (Significant Weakness)

The Garfield County District Court is not following the State's Policy for making adequate collection efforts. Four of the five accounts receivable we reviewed were more than 60 days overdue. Two accounts had convictions that were ten months old, but the Court had not attempted any collection efforts on these accounts. According to State Finance Accounting Policy 06-01.13, accounts that are 61 days past due should be sent to the Office of State Debt Collection. Insufficient pursuit and collection of receivables results in lost revenues to the State. As delinquent accounts age, their collection becomes more difficult.

Recommendation:

We recommend that the Garfield County District Court review accounts receivable on a regular basis and ensure that appropriate collection efforts are made for all accounts receivable. In addition, the Court should transfer all accounts 61 days or more past due to the Office of State Debt Collection as required by State policy.

Response:

Effective January 1, 2001 a monthly review of accounts receivable is performed by the Garfield County District Court Staff and appropriate collection efforts are made. However, in some cases the full length of probation is allowed for fines to be paid. Efforts are being made in conjunction with the County Attorney to keep those accounts current. Accounts 61 days or more past due are being transferred to the Office of State Debt Collection.

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KANE COUNTY DISTRICT COURT – KANAB

25. **INADEQUATE SEPARATION OF DUTIES** (Significant Weakness)

Kane County District Court has not fully implemented the AOC's accounting model and, as a result, has inadequate separation of duties. Both clerks at the Court have access to cash through daily receipting and preparing deposits; initiate transactions; prepare and send billings; review expected receipts; and are able to adjust, credit, or write-off cases in the CORIS system. No independent review of delinquent accounts and write-offs/adjustments to accounts receivable is performed to compensate for the separation of duties weakness.

Inadequate separation of duties exists when the same individual has custody of assets, collection and review responsibilities, access to accounting records, and/or reconciliation responsibilities. Inadequate separation of duties could allow misappropriations, errors, and fraud to occur without detection. If a limited number of personnel prevent adequate separation of duties, the Court should compensate for these weaknesses by having an independent person review account adjustments.

Recommendation:

We recommend that the Kane County District Court fully implement the AOC accounting model to either separate the duties or implement compensating controls.

Response:

Kane County has reviewed the AOC accounting model and will be implementing an appropriate form by January 2002. Kane County will have a training program in November to instruct each clerk on her particular role. The County/Court Clerk will be responsible for the implementation of the training and the model. External reviews will be part of this accounting process

26. **ACCOUNTS RECEIVABLE WEAKNESSES** (Significant Weakness)

The Kane County District Court is not following the State's Policy for making adequate collection efforts as follows:

- a. All eight of the accounts receivable we reviewed and one of the two fines we reviewed were more than 60 days overdue. For the accounts receivable reviewed, collection efforts had not been made for at least several months. According to State Finance Policy 06-01.13, accounts that are 61 days past due should be sent to the Office of State Debt

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Collection. Insufficient pursuit and collection of receivables results in lost revenues to the State. Also, as delinquent accounts age, their collection becomes more difficult.

- b. The Court is not adequately tracking Adult Probation & Parole (AP&P) cases. While the Court is not responsible for collecting on cases currently being handled by AP&P, the Court *is* responsible for maintaining a listing of AP&P cases until the probation is terminated or the case is closed. Once probation is terminated, the responsibility over accounts receivable may revert back to the Court. Therefore, the Court should flag the case for a review hearing date when probation expires. In three of four AP&P cases, it was noted that tracking measures were not in place. Insufficient tracking of AP&P cases causes unpaid fines/restitution balances and open cases to go unnoticed.

Recommendation:

We recommend that the Kane County District Court:

- a. **Review accounts receivable on a regular basis to ensure that appropriate collection efforts are made for all accounts receivable. In addition, the Court should transfer all accounts 61 days or more past due to the Office of State Debt Collection, as required by State policy.**
- b. **Track AP&P cases to ensure that the receivable balances are paid and the case is closed in a timely manner.**

Response:

- a. *Kane County was in transition between the old system and the new CORIS program. Several of the accounts were in fact slightly past due, as they were all done by hand accounting at the time. The process is streamlined with the implementation of CORIS program and the collections are tracked on the system and are current.*
- b. *The deputy clerks will be reviewing accounts receivable listings and identifying applicable accounts receivable for transfer to the Adult Probation & Parole (AP&P) computer accounting system. During this process, accounts receivable listings will be reviewed for accuracy with a projected completion date of February 2002.*

27. **INADEQUATE CASH RECEIPTING CONTROLS** (Significant Weakness)

In our testwork of the Kane County District Court, we noted the following cash receipting weaknesses:

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- a. The Court does not perform an independent reconciliation between cash/checks received and amounts deposited. The initial receipts should be traced to a validated deposit by someone independent of cash receipting responsibilities. In addition, the Court has various methods of receipting cash including manual receipts, the PMSI system, and the CORIS System, and there is no consistent use of one receipting method over another. Manual receipts should only be used if the current system, CORIS, is not functioning. In addition, accounts carried on the old PMSI system should be entered onto CORIS, and the PMSI system no longer used, so that all cases can be maintained and managed on one system.
- b. The Court does not perform a daily cash close-out. The daily receipting documentation and the cashier count-out report are prepared but are not closed out on CORIS daily.
- c. Cash/checks received are stored for up to one week in an unlocked cash drawer in a vault that is only locked at night. Various court and county employees enter the vault numerous times throughout the day.
- d. Checks are not restrictively endorsed until the time of deposit, which can be up to one week after the time of receipt.

These weaknesses increase the risk of errors, fraud, and misappropriations without detection.

Recommendation:

We recommend that the Kane County District Court:

- a. **Have an individual independent of the cash receipting responsibilities reconcile cash/checks received to amounts deposited. In addition, the Court should eliminate the use of the PMSI system, and only use manual receipts if CORIS is not functioning.**
- b. **Close out receipting journals daily.**
- c. **Adequately secure cash/checks between deposits by locking the cash drawer at all times and limiting the number of employees who have access to the cash drawer.**
- d. **Restrictively endorse checks at the time of receipt.**

Response:

- a. *An individual who does not perform cash receipting responsibilities will reconcile cash/checks received to amounts deposited with the treasurer. In addition, all trust and revenue payments accepted for a district court case will be receipted on CORIS and posted to the PMSI General Ledger system. Trust disbursements will be recorded on CORIS and*

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posted to the PMSI General Ledger system. Manual hand receipts will only be used when CORIS is not functioning.

- b. The cash receipting is closed out daily if there is large cash amounts. However, many days there are no deposits at all. When there are no deposits, the journal is closed at least every three days which meets the AOC accounting model.*
- c. The court clerks each have their own locking cash drawer and the locked cash drawers are kept in the vault that is limited to clerk/auditor/court clerk personnel only.*
- d. Checks are now restrictively endorsed upon receipt. This was new at the time of the audit and as a result was not as strictly adhered to. However, court personnel that accept receipts have endorsement stamps at their desk to facilitate this process.*

28. **INADEQUATE TRUST FUND CONTROLS**

The following weaknesses related to the trust fund were noted at the Kane County District Court:

- a. No reconciliation of the trust fund is being performed. Someone independent of trust fund duties should reconcile the trust fund general ledger account to the Court's records to ensure that all trust funds are properly accounted for. They should also ensure that funds being held in the trust fund for an extended period of time are being appropriately held.
- b. Adequate supporting documentation does not always accompany the trust fund disbursement requests. The check signors, who are county employees, should review all requests to ensure they contain adequate supporting documentation and to verify that trust fund disbursements are proper.

The above weaknesses could allow the misappropriation of trust funds to occur without detection.

Recommendation:

We recommend that the Kane County District Court:

- a. Have someone independent of trust fund duties perform a periodic reconciliation of the trust funds being held to the trust fund records.**
- b. Attach adequate supporting documentation to each trust fund disbursement request so that the check signors can verify that the disbursement is proper.**

ADMINISTRATIVE OFFICE OF THE COURTS

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Response:

- a. *This will be implemented in January when we fully implement the updated separation of duties accounting model. We will be reviewing the process as a court with the input from the AOC, training, with implementation by January 2002.*
- b. *Trust disbursements are included in our county process for warrant requests. All Court trust disbursement requests now include back up documentation and are approved by an independent review then transferred to the county for payment. The checks are mailed from the county.*

FIRST JUDICIAL DISTRICT COURTS

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CACHE COUNTY DISTRICT COURT – LOGAN

29. **MISSING INFORMATION IN SIGNED COURT ORDER** (Significant Weakness)

While performing an audit at the Department of Corrections, we noted a case in the Cache County District Court that was missing information in a signed court order. Both the Offender Obligation Form and the Offender Obligation System showed that the offender had been ordered to pay \$1,206 in restitution. However, the signed court order did not indicate that the offender had been ordered to pay this restitution. Upon review of the recorded court session, the court clerk determined that the offender had been ordered to pay the \$1,206 restitution although the amount had not been included on the signed court order. If the court order does not include all information decided and ordered in court, an offender's account balance may be misstated on the Department of Correction's Offender Obligation System or on the Court's accounts receivable system. In addition, the Court would be unable to monitor full compliance with the court order if the signed court order is incomplete.

Recommendation:

We recommend that the Cache County District Court document in the signed court order all necessary information determined in an offender's court session.

Response:

The procedure will be that when anything is recommended in a Probation Violation Report that affects a judgment, there will be an amended or corrected judgment prepared or an order will be presented to the Judge noting the omission or error and correcting it. The court order has been amended and signed by the Judge.

The Clerk of Court has reviewed the procedure with all clerks on October 12, 2001.