

**Procedures Performed –  
Minimum Accounting Standards  
Checklist For Nevada Courts**

**CAO 0910-1103-09**

**January 28, 2010**

# Background

- **Minimum Accounting Standards (MAS) are issued by the Nevada Administrative Office of the Courts (AOC).**
- **MAS checklist must be completed annually by the Court and every three years by an outside CPA firm or an internal audit agency.**
- **MAS Checklist includes 329 questions about the operations and internal controls of the Municipal Court.**
- **City Auditor's Office completed checklist at the request of the Municipal Court.**

# Background (continued)

- **Procedures included discussions with personnel, observations, and review of documents.**
- **Completed MAS Checklist and accompanying letter including findings was submitted to the AOC on December 1, 2009.**
- **An audit report was prepared that summarizes the findings reported to the AOC.**

# Scope

- **Checklist completed for operations as they existed as of June 30, 2009.**
- **Procedures did not include a review of the new case management system implemented in November 2009.**

# Areas of Non-Compliance

- **Written policy and procedure deficiencies.**
- **Lack of documentation showing that policies have been distributed to employees.**
- **Deficiencies in safe combination policy and practices.**
- **Policies and procedures for following IRS reporting requirements using Form 8300 have not been implemented.**

# Areas of Non-Compliance (continued)

- **Accounts receivable are not tracked and reported in accordance with checklist standards.**
- **Bail bond tracking register is not used by the Court to reconcile bail bonds received with those recorded in the case management system.**
- **Bail register is no longer being reconciled to the general ledger on a monthly basis due to Legacy system issues.**

# Other Issues

- **The Court's document titled, "Minimum Accounting Standards, System of Internal Controls" has not been revised since July 2002 and does not correlate with the current MAS checklist.**
- **The Court does not have a formal document outlining the procedures followed by the Justice Court in collecting the Municipal Court's payments from the lobby drop boxes.**

# Management Response

- **Court Management has responded to the areas of non-compliance and other issues.**
- **The issues will be addressed with the implementation of the new case management system.**
- **The City Auditor's Office will follow-up on the resolution of the findings identified.**

# Questions

## **Auditors:**

**Bryan Smith, Sr. Internal Auditor**

**Nancy Beaty, Sr. Internal Auditor**

## **Court Management:**

**James Carmany, Court Administrator**

**Pam Jefferson, Administrative Services**

**Manager**

**Rhonda Ruby, Budget Analyst**