

February 8th, 2017

TO: Arizona Courts Association
(Ms. Elaine Brideschge – President)
P.O. Box 1689
Phoenix, AZ. 85001-1698

Subject: Arizona Courts Association, (ACA) 2016 Treasurer Audit

On February 8, 2017 and in accordance with the Arizona Court Association bylaws, dated October 18, 2013, an audit of the 2016 ACA Treasurers account was conducted at Tolleson Municipal Court. This audit was conducted by Irma Rojas/Financial Clerk and Rod Wettlin/Director of Court Services, both employees of El Mirage City Court. In attendance was Olivia Moodyman/ACA Treasurer and Court Supervisor of Tolleson Municipal Court. The audit encompassed all items on the Internal Audit Checklist and all findings/recommendations are provided below;

Prelude

It was noted that the original check book was still being used. The February 19th, 2016 audit recorded an observation recommending new checks, with two (2) party endorsement that reflected two signatures on displayed carbon receipt and replacing the “Not Negotiable” language this currently exists. **This has yet to be addressed.**

Warrants/Vouchers

a.) **Audited Item:** Written checks.

Finding: 19 checks (check numbers 1441 to 1460) were written for calendar year 2016, with no checks having been voided. No discrepancies noted.

b.) **Audited Item:** Amount on check matches amount on warrant/voucher.

Finding: All checks matched amounts as written. No discrepancies noted.

c.) **Audited Item:** Adequate explanation for all expenditures.

Finding: All checks were cross referenced with desired/requested and authorized items or expenditure(s).

Receipts/Bills

- a.) **Audited Item:** The amount on the receipt/bill matches the amount on the check.
Finding: All checks were cross referenced and were issued in the correct amount(s).
- b.) **Audited Item:** Receipts or bill for every check written.
Finding: All receipts were accounted for. No discrepancies noted.
- c.) **Audited Item:** Written and signed explanation for any missing receipts/bills.
Finding: N/A

Check/Disbursements

- a.) **Audited Item:** No missing checks.
Finding: N/A
- b.) **Audited Item:** Voided checks saved.
Finding: N/A
- d.) **Audited Item:** All checks recorded in the check register.
Finding: Yes, copies of all checks were on hand and being maintained in the check register.

Bank Reconciliation

- a.) **Audited Item:** No missing bank statements.
Finding: All statements were on hand and were being maintained in separate file folder. No discrepancies noted.
- b.) **Audited Item:** Ending balances agrees with last bank statement.
Finding: Bank statement(s) agreed with Treasurer Record.
- c.) **Audited Item:** Bank charges and interest recorded in check register.
Finding: All associated bank charges/interest was identified and recorded monthly.

Income

- a.) **Audited Item:** Income received matches deposits.
Finding: No discrepancies noted.
- b.) **Audited Item:** Detailed record of all income received.
Finding: ACA working spreadsheet was on hand identifying all income sources and amounts. No discrepancies noted.

c.) **Audited Item:** All deposits recorded in check register.

Finding: Yes, a detailed spreadsheet was on hand identifying all income sources and amounts. No discrepancies noted.

Treasurer's Report

a.) **Audited Item:** Filed regularly.

Finding: Yes, no discrepancies.

b.) **Audited Item:** Annual Treasurer's report filed.

Finding: There was fraudulent activity on the ACA account. On November 4th, 2016 two unauthorized charges were made totaling \$291.74. Both charges were timely reported to committee members and charges were reversed and back in the account on or about November 10th, 2016.

Taxes

a.) **Audited Item:** Federal Form 990EZ w/ Schedule A.

Finding: Federal Form 990EZ Schedule A (2015) was on hand. The form was under revision/update and expected to be available within a few weeks and because of that, Federal Form 990EZ Schedule A for 2016 had not yet been filed. Olivia Moodyman informed us that this will be timely filed/reported once the new form is available.

Recommendation: ACA President should direct new treasurer to order new sequential checks in the format agreed upon at ACA meetings.

Summary: The President Elect and the rest of the Arizona Courts Association is off to a great start in relation to the duties, obligations and responsibilities of Treasurer Olivia Moodyman.

Roderick D. Wettlin
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