	<b>CLERK OF THE COURT INTERNAL POLICY</b>	
	<b>Area: CASH MANAGEMENT SERVICES</b> <b>Document Number: POL-CMS-1002</b> <b>Subject: Accounting Policy</b>	<b>Effective Date: 04/01/2015</b>
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**PURPOSE:**

To provide direction for the Accounting function of the Clerk of the Court.

**POLICY:**

**I. General Policy:**

Unless specifically stated otherwise in an authorized COSC policy, all COSC Accounting functions comply with the Minimum Accounting Standards (MAS) as set by Arizona Supreme Court, Administrative Office of the Courts (AOC), Arizona Revised Statutes (ARS), Maricopa County policies, and Generally Accepted Accounting Principles (GAAP).

**NOTE: All cash-handling personnel must attend biennial MAS training.**

**II. Issuing Small Denomination Checks Policy - Check Issuance:**


When issuing checks to payees for overpayments, restitution and trust monies, Clerk's staff will not exceed the small check denomination threshold in accordance with PRO-CMS-1002: *Instructions for Issuing Small Denomination Checks.*

**III. Fee-Exempt Services Policy:**

It is the purpose of this policy to identify services provided to any state, county or city agency for which no fee will be charged.

Pursuant to ARS §12-304 and ARS §39-122, all services provided to the following are exempt from being charged fees:

- A. All state, county and city agencies within the State of Arizona are exempt from being charged filing fees, certifications, copies, and other such fees
- B. The Arizona State Bar when processing or investigating discipline cases for the Discipline Commission, a state board created by the Supreme Court under Rule 47
- C. Officials of federal agencies or private individuals requesting documents to be used in processing claims against the federal government for benefits such as Social Security or Veterans Affairs benefits
- D. Out-of-State agencies which are requesting documents under reciprocal actions for child support enforcement

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**IV. Obtaining and Providing Taxpayer Identification Numbers Policy:**

The purpose of this policy is to provide guidance for obtaining Taxpayer Identification Numbers (TIN) used for the issuance of IRS Form 1099-INT for court ordered recipients of Trust Account interest.

- A. Upon court order, the Clerk will deposit trust funds into an interest-bearing account.
- B. The funds will remain on deposit until further order of the court disbursing the original amount of the deposit and all accrued interest.
- C. In cases where interest in excess of \$10.00 is paid per annum to a court ordered recipient, the Clerk will comply with federal and state tax law regulations by obtaining the Taxpayer Identification Number (TIN).
- D. Court ordered recipients of interest will be required to complete a W-9 Form, Request for Taxpayer Identification Number and Certification. The form must be completed and on file with Accounting prior to interest being disbursed. No interest will be disbursed until a completed W-9 form is obtained and the appropriate TIN is on file.

**V. Recovery of Payments Posted in Error by Adult Probation Department Staff Policy:**

It is the purpose of this policy to establish how the Criminal Financial Obligations department of the Clerk's Office shall satisfy any monetary deficiency on an account caused by an error in posting payments by Adult Probation Department staff deputized by the Clerk of Court specifically for posting probationer payments.

When an error is made in the posting of a payment or payments results in a monetary deficiency to an account:

- A. The account to which the payment was posted in error will be reviewed to determine if an account adjustment can be made to rectify the deficiency.
- B. If no account adjustment can be made that will leave all entities intact, the month-end payment to the Adult Probation Department, Probation Service Fees, will be decreased by the amount of the monetary deficiency. This amount will be applied to the account for which the payment was originally intended. A receivable to the Adult Probation Department will be established on the account that was credited in error for the amount of the incorrect credited amount.
- C. At the end of each month, a report of all accounts established for this purpose will be directed to the Adult Probation Department.

**VI. Disbursement Authority Policy:**

It is the purpose of this policy to specify those individuals designated as having current disbursement authority.

All disbursements shall be made by a Clerk of Superior Court check with proper supporting documentation necessary for disbursement. Checks will only be disbursed after the deposit has been verified with accounting records.



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- A. Disbursement Authority:  
Only Judicial Officers (Judges and Commissioners) have the authority to order the disbursement of properly posted bonds and securities.
- B. Authorized account signers shall have no primary responsibility to maintain the accounting records or cash receipts.
- C. Check Request Authority:
1. Clerk of Court members having authority to approve check requests are:
    - a. For Fees, Criminal Financial Obligations, or Trust-Receipting Errors:
      - Cash Management Services Administrator, Managers, Supervisors, or non-reconciling Accountants
      - Court Operations Managers or Supervisors
      - Customer Service Center Managers or Supervisors
      - Juvenile Facility (Durango and Southeast) Managers or Supervisors
      - Family Support Services, Managers or Supervisors
      - E-Filing Services Managers or Supervisors
    - b. For Imprest Fund:
      - Deputy Director of Cash Management Services or Chief Deputy
  2. Individuals having acceptable signature authority for automated check runs for all accounts are only:
    - Clerk of the Superior Court
    - Chief Deputy
  3. Those individuals having authority to approve manual checks for all accounts are:
    - Clerk of the Superior Court
    - Chief Deputy
    - Deputy Director, Cash Management Services
    - Designated Cash Management Services Administrator – Finance / Accounting
    - Accounting Manager
    - Family Support Services Supervisor
    - Billing & Deferral Supervisor
    - CFO Supervisor

**NOTE:**

- Two unique authorized signers are required for any check more than \$500.
- The approver of a check request cannot be the sole or secondary signer of a check.

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4. Those individuals that are users to initiate transfers between Clerk of Court bank accounts are:
  - Accounting Manager
  - Accountants

**VII. Acceptance of Payments for Criminal Sanctions Policy:**

It is the purpose of this policy to define the appropriate handling of payments received for Adult Criminal Sanctions.

Upon receipt of a payment for a Criminal case that directs payment toward a specific obligation, the payment will be accepted. Payments received by the Clerk of the Court are posted pursuant to state statute, administrative order and/or court order. In order to apply a payment directed by a party toward a specific obligation, a court order must be issued stating such.

**APPLICABILITY:**

This policy applies to all employees deputized by the Clerk of the Court. Failure to adhere to the provisions of this policy may result in disciplinary action including dismissal.

**RELATED DOCUMENTS:**


- ACJA 1-401: Arizona Code of Judicial Administration: Minimum Accounting Standards (MAS)
- PRO-CMS-1002: *Instructions for Issuing Small Denomination Checks*
- ARS §12-304: Exemption of state, county, city, town or political subdivision of a county from court fees
- ARS §39-122: Free searches for and copies of public records to be used in claims against United States; liability for noncompliance
- POL-ODIR-1002: *Incident Reporting Policy*

**OTHER PARTIES INVOLVED:**

- Other state and governmental agencies
- Public
- Accounting
- Court Clerks

**DEFINITIONS:**

- Fee-Exempt: No fees are charged for the service provided.
- AOC: Administrative Office of the Courts
- Loss: A shortage in funds; does not include small cash drawer shortages
- MAS: Minimum Accounting Standards

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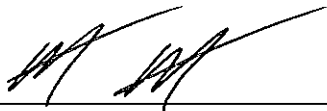
- TIN: Taxpayer Identification Number such as social security number (SSN) or employer tax number (EIN)

**REVISION HISTORY:**

Revision Number	Issuing Authority	Summary of Changes	Approval Date
-	Christine Kelly	Document Origination	04/01/2015
A	Michael Nimitz	Clarified / Updated Disbursement Authority	10/31/2018
B	Kathy McClaning	Updated to reflect cash-handling personnel attend biennial MAS training	02/13/2019
C			

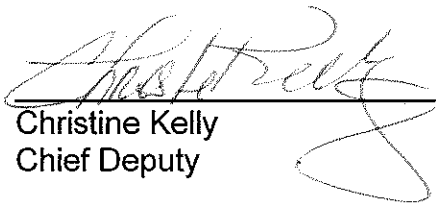
**AUTHORIZED SIGNATURES:**

Reviewed by:



Michael Nimitz  
Deputy Director

Approving Authority:



Christine Kelly  
Chief Deputy

Date Signed: 2/27/19