	CLERK OF THE COURT INTERNAL POLICY	
	Area: CASH MANAGEMENT SERVICES Document Number: POL-CMS-1003 Subject: Departmental Internal Controls	Effective Date: 11/05/1990
Page: 1 of 3	Revision Level: F Last Revised Date: 10/31/2018	

PURPOSE:

It is the purpose of this policy to identify the primary accounting internal controls which will be used by the Clerk of the Superior Court (COSC).

BACKGROUND:

The Maricopa County Clerk of Superior Court (COSC) has the responsibility to establish and maintain an adequate system of internal control and to furnish to the Board of Supervisors, governmental agencies, and other constituencies reliable financial information on a timely basis. An adequate system of internal control is necessary for the COSC to discharge these responsibilities. Controls help ensure that assets are not exposed to unauthorized access and use, transactions are properly recorded in the financial records, and the resultant financial information is reliable.

The general ledger contains all COSC financial transactions. Currently, the general ledger (system of record) is Great Plains. Information from the general ledger is used by COCS to analyze, report, and monitor financial activity.

POLICY:


The primary accounting controls are:

General Ledger Account Reconciliation - An internal control procedure that helps ensure account balances in the general ledger are materially correct. This process must be carried out in a timely and consistent manner on a monthly basis.

Double Entry System - Accounting records for receipts and disbursements of all COSC operations whether automated or manual must provide for a double-entry system that includes general ledgers, books of original entry, and suitable subsidiary records. All records should be maintained on a current basis and balanced monthly.

Bank Account Reconciliation - It is the policy of the COSC that all incoming or outgoing funds to the COSC's bank accounts be recorded in the general ledger on a timely basis. Frequent bank reconciliation is essential to prevent fraud and to ensure the Court's funds are handled with fiscal and fiduciary responsibility. Bank account reconciliation is a key component of good controls over cash and should be done in a timely manner. Reconciling the bank statement balance with the book balance (general ledger) is necessary to ensure that:

- All receipts and disbursements are recorded (an essential process in ensuring complete and accurate monthly financial statements);
- Checks are clearing the bank in a reasonable time;
- Reconciling items are appropriate and are being recorded; and

	CLERK OF THE COURT INTERNAL POLICY	
	Area: CASH MANAGEMENT SERVICES Document Number: POL-CMS-1003 Subject: Departmental Internal Controls Page: 2 of 3	Effective Date: 11/05/1990 Revision Level: F Last Revised Date: 10/31/2018

- The reconciled bank cash balance agrees to the general ledger cash balance.

Independent Approval of Disbursements – The approval of an authorized individual is required for any manual disbursement

Segregation of Duties - One person should not be in complete charge of a transaction. Key duties and responsibilities in authorizing transactions, recording transactions, and maintaining custody of the assets should be assigned to different individuals.

Access to and Accountability for Resources - Access to resources and records is to be limited to authorized individuals, and accountability for the custody and use of resources is to be assigned and maintained.

Spontaneous and Periodic Audit - Spontaneous and periodic audits will be performed in cash handling and accounting areas of the COSC. Periodic checks on performance and comparisons of recorded amounts to actual will be made. These audits may be conducted by divisional auditors, Quality Assurance or by other audit entities outside the department.

Automated Control Totals - Mechanical or electronic equipment, such as cashiering software, should have locked-in totals, where possible.

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.

DEFINITIONS:

None



CLERK OF THE COURT INTERNAL POLICY

Area: CASH MANAGEMENT SERVICES
Document Number: POL-CMS-1003
Subject: Departmental Internal Controls

Effective Date: 11/05/1990

Revision Level: F
Last Revised Date: 10/31/2018

Page: 3 of 3

REVISION HISTORY:

Revision Number	Issuing Authority	Summary of Changes	Approval Date
-	N/A	Document Origination	11/05/1990
A	N/A	N/A	12/01/1992
B	N/A	N/A	12/19/1997
C	N/A	N/A	07/03/2006
D	Becky Magana	N/A	01/06/2014
E	Christine Kelly	Updated to Controlled Document Index	05/01/2015
F	Michael Nimtz	Additional Content: Background, General Ledger & Bank Account Reconciliation	10/31/2018

AUTHORIZED SIGNATURES:

Reviewed by:

Michael Nimtz
Deputy Director

Approving Authority:

Christine Kelly
Chief Deputy

Date Signed: 11-14-18