

Incline Justice Court

Instances of Noncompliance Reported to Management by Independent Auditor

Year Ended June 30, 2018

To the Judge(s) of Incline Justice Court:

We have performed the procedures enumerated below, which are required by the Minimum Accounting Standards Guide for External Audits, solely to assist the Court and the Nevada Supreme Court in evaluating the Incline Justice Court's compliance with the requirements of Minimum Accounting Standards (MAS) during the year ended June 30, 2018. The court's judges and staff are responsible for the Incline Justice Court's compliance with the applicable Minimum Accounting Standards issued by the Nevada Supreme Court.

The agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of those parties specified in this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

The procedures that we performed and our findings are as follows:

1. We obtained from the judge(s) and staff a copy of the Incline Justice Court's submitted written procedures, as required to be maintained by Supreme Court Order dated 12/31/16, which the judge(s) and staff informed us was submitted to the Nevada Supreme Court and was in effect during the year ended June 30, 2018.
2. We obtained from a copy of MAS Version 3.1 published by the Administrative Office of the Courts dated January 2018 and also MAS Version 3.0 dated January 2012. The two documents straddled the audit period, July 1, 2017 through June 30, 2018 and, per AOC Audit Manager, version 3.1 did not substantially change
3. We compared the detailed controls and procedures, provided in the Minimum Accounting Standards, obtained in procedure 2, to the detailed controls and procedures described in the written procedures, obtained in procedure 1, to determine whether the required controls and procedures specified in the MAS were included in the written procedures.

We noted two instances where the required MAS controls and procedures were not included in the written procedures or the written procedures did not comply with the MAS. Such instances of noncompliance have been included in list findings

4. In accordance with the Minimum Accounting Standards Guide for External Audits effective January 2018, we completed all testing procedures. We noted one instance of noncompliance.

The prior audit, completed in 2014, was also reviewed for non-compliance and it was determined the court had made all necessary process improvements to correct the findings.

We were not engaged to and did not conduct an examination, the objective of which would be the expression of an opinion on the Incline Justice Court's compliance with the applicable MAS.

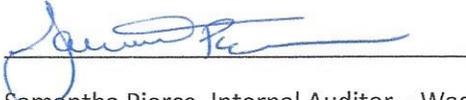
Incline Justice Court

Instances of Noncompliance Reported to Management by Independent Auditor

Year Ended June 30, 2018

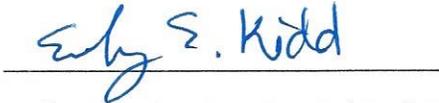
Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the Nevada Supreme Court and the Incline Justice Court and is not intended to be and should not be used by anyone other than these specified parties.



Samantha Pierce, Internal Auditor – Washoe County

January 17, 2019 – Completion of Audit Fieldwork and Report



Emily Kidd, CIA, CGAP, Internal Auditor – City of Reno

February 26, 2019 – Completion of Review of Fieldwork Documentation and Report

Incline Justice Court

Instances of Noncompliance Reported to Management by Independent Auditor

Year Ended June 30, 2018

Findings Report

Written Procedure Review:

MAS 1.1, 1.2: The court must maintain detailed, written procedures addressing their operating practices and items contained throughout the Minimum Accounting Standards.

It was determined the court was missing the identifiers to link their policy and procedure to the minimum accounting standards. It was recommended the court update their policy and procedures to link to the identifiers in the minimum accounting standards. It was determined there were two areas where the courts written procedures did not contain the appropriate procedure contained in the minimum accounting standards. First, with regard to the fine/fee schedules the court reviewed their schedule at least every six months, however this was not reflected in their policy and procedures nor was the correct person listed who makes the changes if necessary. Second, the Constable was not listed as someone who could take the deposits to the bank. It was recommended the court update their written procedures in these two areas to appropriately reflect the minimum accounting standards.

Management Response:

The procedures will be updated to reflect the appropriate minimum accounting standards.

Payment Handling and Receipting Review Procedures – General Payment Procedures:

MAS 2.1 & 2.2: The court must post the payment policy in a conspicuous location at the court and it must contain precise wording in their notice to customers.

It was determined the court had posted the payment policy on a bulletin board, however it was covered by the filing fee schedule so it was not in a conspicuous location and it was recommended the court move their payment policy next to the clerks window where the payments are received. Also it was determined it was missing a portion of required wording. It was recommended the court add verbiage on the amount of the fee charged for checks returned for non-sufficient funds.

Management Response:

The notice was updated and posted during the audit.

Disbursements – Cash and Check Disbursements:

There were no instances of non-compliance in this section of the audit.

Conversion of Monetary Penalties Imposed by the Court to Alternative Sentencing and Modification of Sentencing:

Incline Justice Court

Instances of Noncompliance Reported to Management by Independent Auditor

Year Ended June 30, 2018

There were no instances of non-compliance in this section of the audit.

Trust Accounts and Bonds:

There were no instances of non-compliance in this section of the audit.

Bank Accounts:

There were no instances of non-compliance in this section of the audit.

Financial Management:

There were no instances of non-compliance in this section of the audit.

Computer Access and Security:

There were no instances of non-compliance in this section of the audit.

General Administrative Security and Key Controls:

There were no instances of non-compliance in this section of the audit.

Record Retention:

There were no instances of non-compliance in this section of the audit.