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Administrative Office of the Courts

GLENN A. GRANT, J.A.D.
Acting Administrative Director of the Courts

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MEMORANDUM

TO: **Assignment JudgeAJ MEMO PDF 2014 Special Civil P Financial Examination Standardized Format Minimum Content R**

Supplement to Directive # 07-13

Civil Presiding Judges
Special Civil Part Supervising Judges
Trial Court Administrators
Civil Division Managers
Assistant Civil Division Managers – Special Civil

FROM: **Glenn A. Grant, J.A.D.**

SUBJ: **Special Civil Part Officers – Annual Financial Examination Standardized Format; Minimum Content Requirement**

DATE: **June 30, 2014**

Directive #07-13 sets out the financial examination requirements and procedures in connection with the execution of writs by Special Civil Part Officers. The directive requires, among other things, an annual examination of each Special Civil Part Officer's financial records by an independent auditing firm in accordance with the Statement on Standards for Attestation Engagements (SSAE) No. 10 and associated amendments issued by the American Institute of Certified Public Accountants. The auditor's examination report must be submitted for approval to both the Trial Court Administrator, working in conjunction with the Vicinage Finance Manager, and the AOC's Chief of Internal Audit & Control.

Attached is a sample format of an "Agreed Upon Procedures" report that incorporates the changes implemented by Directive #07-13. Appended to the report template are templates for four appended schedules: Schedule A – Bank Reconciliation; Schedule B – Outstanding Check List; Schedule C – Analysis of Adjusted Book Balance; and Schedule D – Cash Summary Statement.

Two significant changes that should be noted in particular are:

1) A reconciliation between the Special Civil Part Officer's writ register and the court's official writ register for the Special Civil Part Officer will no longer be required. This function has been assumed by the Civil Division on a biweekly basis in each vicinage.

2) A procedure requiring the clerical accuracy and verification of all figures presented on each of the four schedules has been added.

By copy of this memo this report template is being sent to every Special Civil Part Officer. It should also be provided to their auditors as the required standardized format and the minimum content for all financial examination reports submitted after June 30, 2014. The Special Civil Part Officers by copy of this memo are advised that any annual financial examination reports submitted after June 30, 2014 that do not comply with the format and minimum content requirements of the template will be rejected and, pursuant to Administrative Directive #07-13, will need to be revised and resubmitted. Since the directive provides that Special Civil Part Officers are responsible for the costs of the annual financial examination, any revisions required to be made to the report will likely result in additional costs to the officer.

Thank you.

G.A.G.

Attachment

cc: Chief Justice Stuart Rabner
Steven D. Bonville, Chief of Staff
AOC Directors and Assistant Directors
John J. Brodowski, Chief, Internal Audit & Control
Lloyd Garner, Chief, Special Civil Part Services
Gurpreet M. Singh, Special Assistant to the Administrative Director
Nancy L. Manuele, Acting Assistant to the Administrative Director
Special Civil Part Officers

[SAMPLE]
Independent Accountant's Report
On Agreed-Upon Procedures

To: (Court Officer's Name)
Special Civil Part Officer

We have performed the procedures enumerated below, which were agreed to by (Court Officer's Name), Special Civil Part Officer and pursuant to Directive #07-13 promulgated by the Administrative Director of the Courts, State of New Jersey, solely to assist you in evaluating the accounting records of (Court Officer's Name) prepared in accordance with said Directive for the year ended (XXXX). (Court Officer's Name) is responsible for the accounting records. This 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.

Our procedures and findings are as follows:

1. **Procedure Performed:** Verify the clerical accuracy of and agree all amounts presented on the attached schedules to accounting records and/or supporting documentation. (Bank Statements, etc.)

   Finding: Schedules are clerically accurate. All amounts have been agreed to accounting records and/or supporting documentation.

2. **Procedure Performed:** Send 50 Letters of Verification to a randomly selected sample of debtors, creditors, and garnishees.

   Finding: All verifications sent were reconciled without exception.

3. **Procedure Performed:** Verify bonding requirements of Directive #07-13 have been met by Court Officer.

   Finding: Bond amount was verified to be at least 3 times the Court Officer's average monthly gross receipts or $100,000, whichever is greater. A bond was in effect as of the date of this report and indemnifies the Superior Court of New Jersey.

4. **Procedure Performed:** Verify that all funds collected by the Court Officer are deposited at least weekly into a non-interest bearing trust account.

   Finding: Funds were deposited as required without exception in a non-interest bearing trust account.

5. **Procedure Performed:** Trace all deposits from the Court Officer's cash book to bank statements and from bank statements to the cash book.

   Finding: All deposits for the report period were traced without exception.

6. **Procedure Performed:** Trace all disbursements reflected on the bank statement to the Court Officer's cash book.

Finding: All disbursements for the report period were traced without exception.

We were not engaged to, and did not conduct an audit, the objective of which would be the expression of an opinion on (Court Officer's Name) accounting records. 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 (Court Officer's Name), Special Civil Part Officer, Vicinage (XX), and the Administrative Office of the Courts, State of New Jersey and is not intended to be and should not be used by anyone other than those specified parties.

Signature
Date

COURT OFFICER - JOHN DOE
SPECIAL CIVIL PART SUPERIOR COURT OF NEW JERSEY
Bank Reconciliation @ June 30, 2014

Bank Statement Balance at June 30, 2014	$44,816.40
Add: Deposits in Transit	$3,652.34
	$5,545.62
Less: Outstanding Checks	($11,285.52)
Add: Bank Charges Pending Deposit	
New Check Charge	$37.50
NSF Check Fee	$15.00
Bank Errors	
6/28 Deposit for $443.67 Bank has $443.37	$0.30
Ck#257 for $53.00 Cleared at $57.00	$4.00
Adjusted Book Balance June 30, 2014	$42,785.64

COURT OFFICER - JOHN DOE
SPECIAL CIVIL PART SUPERIOR COURT OF NEW JERSEY
Outstanding Check List @ June 30, 2014

CHECK DATE	CHECK #####	Venue - Docket Number	PAYEE	AMOUNT
4/13/2013	17339	Mer-DC-XXXXXX-09	XXXXX XXXXX	$135.82
5/13/2013	17459	Mer-DC-XXXXXX-09	XXXXX XXXXX	$195.62
9/15/2013	17915	Mer-DC-XXXXXX-09	XXXXX XXXXX	$257.98
10/15/2013	18036	Mer-DC-XXXXXX-09	XXXXX XXXXX	$661.55
12/15/2013	18995	Mer-DC-XXXXXX-09	XXXXX XXXXX	$75.00
5/15/2014	19205	Mer-DC-XXXXXX-09	XXXXX XXXXX	$103.00
6/15/2014	19295	Mer-DC-XXXXXX-09	XXXXX XXXXX	$175.31
6/15/2014	19336	Mer-DC-XXXXXX-09	XXXXX XXXXX	$106.35
6/15/2014	19338	Mer-DC-XXXXXX-09	XXXXX XXXXX	$74.89
6/15/2014	19351	Mer-DC-XXXXXX-09	XXXXX XXXXX	$5,000.00
6/15/2014	19352	Mer-DC-XXXXXX-09	XXXXX XXXXX	$4,500.00
		Total Outstanding Checks @ June 30, 2014		$11,285.52

COURT OFFICER - JOHN DOE
SPECIAL CIVIL PART SUPERIOR COURT OF NEW JERSEY
Analysis of Adjusted Book Balance @ June 30, 2014

Funds Received, Deposited and Pending Disbursement

DEPOSIT DATE	***Venue - Docket Number***	***AMOUNT***
PENDING CURRENT MONTH DISBURSEMENTS		
	Attorney	$34,957.59
	Pro Se	$3,616.41
	Refunds	$0.00
	Commissions	$4,064.64
ADDITIONAL PENDING DISBURSEMENTS		
6/28/2014	Mer-DC-XXXXXX-09	$35.00
6/28/2014	Mer-DC-XXXXXX-09	$112.00
		$42,785.64

COURT OFFICER - JOHN DOE
SPECIAL CIVIL PART SUPERIOR COURT OF NEW JERSEY
CASH SUMMARY STATEMENT

CASH RECEIPTS:

	Total Cash Receipts Collected	Fees Earned	Trust Funds Collected
July 2013	$33,678.00	$3,199.41	$30,478.59
August 2013	$42,689.22	$4,055.48	$38,633.74
September 2013	$37,598.33	$3,571.84	$34,026.49
Octover 2013	$38,945.32	$3,699.81	$35,245.51
November 2013	$41,987.56	$3,988.82	$37,998.74
December 2013	$37,589.66	$3,571.02	$34,018.64
January 2014	$42,785.64	$4,064.64	$38,721.00
February 2014	$37,598.33	$3,571.84	$34,026.49
March 2014	$38,945.32	$3,699.81	$35,245.51
April 2014	$41,987.56	$3,988.82	$37,998.74
May 2014	$37,589.66	$3,571.02	$34,018.64
June 2014	$42,785.64	$4,064.64	$38,721.00
Total Cash Receipts	$474,180.24	$45,047.12	$429,133.12

CASH DISBURSEMENT:

	Total Cash Disbursements	Fees Disbursed	Trust Funds Disbursed
July 2013	$37,111.32	$3,825.44	$33,285.88
August 2013	$33,678.00	$3,199.41	$30,478.59
September 2013	$42,689.22	$4,055.48	$38,633.74
Octover 2013	$37,598.33	$3,571.84	$34,026.49
November 2013	$38,945.32	$3,699.81	$35,245.51
December 2013	$41,987.56	$3,988.82	$37,998.74
January 2014	$37,589.66	$3,571.02	$34,018.64
February 2014	$42,785.64	$4,064.64	$38,721.00
March 2014	$37,598.33	$3,571.84	$34,026.49
April 2014	$38,945.32	$3,699.81	$35,245.51
May 2014	$41,987.56	$3,988.82	$37,998.74
June 2014	$37,589.66	$3,571.02	$34,018.64
Total Cash Disbursements	$468,505.92	$44,807.93	$423,697.99

SUMMARY OF CASH BALANCES

Trust Account Book Balance - June, 30, 2013 (Prior Audit Report)	$37,111.32
Plus: Cash Receipts Collected	$474,180.24
Less: Cash Disbursed	($468,505.92)
Trust Account Book Balance - June 30, 2014	$42,785.64