

Report of Agreed Upon Procedures
State of Colorado
Office of the Child's Representative –
Judicial Department
June 30, 2002

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During the 2000 legislative session, the General Assembly passed House Bill 00-1371 which created the Office of the Child's Representative within the Judicial Department. The Office is responsible for ensuring uniform, high-quality legal representation and non-legal advocacy for children involved in judicial proceedings in Colorado. This includes enhancing the legal representation of children, establishing fair compensation for services, setting minimum practice and training standards, determining maximum caseloads, establishing oversight committees throughout the state, and working collaboratively with the state court-appointed special advocate (CASA) to develop local CASA's in each Judicial District. The Office has four full-time equivalent staff and receives its funding from general funded appropriations.

Fiscal Year 2002 was the first full year of operations for the Office.

**Office of the Child's Representative
Fiscal Year 2002 Expenditures**

<u>Expenditure</u>	<u>Amount Expended</u>
Attorney Services - By Type of Case:	
Dependency and Neglect	\$ 5,349,032
Juvenile Delinquency	1,203,240
Domestic Relations	424,682
Truancy	172,982
Probate	89,000
Paternity	78,507
Counsel Expenses	5,286
Other	<u>27,001</u>
Subtotal: Attorney Services	7,349,730
Administrative and Operating Costs	449,404
Training	23,938
CASA Services	<u>20,000</u>
Total Expenditures	<u>\$ 7,843,072</u>

Source: Data obtained from the Office of the Child's Representative.

We have performed the agreed-upon procedures enumerated below in order to assist the Office of the Colorado State Auditor and the Office of the Child's Representative in meeting certain financial reporting requirements of the Office of the Child's Representative to the State Court Administrators Office and the Colorado General Assembly. We conducted our engagement in accordance with standards established by the American Institute of Certified Public Accountants. Our planned procedures were agreed to by the Office of the Colorado State Auditor. The sufficiency of these procedures is solely the responsibility of the specified users of this report. Consequently, we make no representation regarding the sufficiency of the procedures described in the attachment either for the purpose for which this report has been requested or for any other purpose.

The procedures we performed and our findings are as follows:

Procedure:

We obtained a copy of the OCR's Fiscal Policies and Procedures Manual and performed a top-level review of procedures applicable to cash disbursements for adequate internal controls. We noted the following key controls have been established related to vendor and attorney payments:

- Review and approval of invoices is documented
- Purchase orders are required for purchases exceeding \$5,000
- Segregation of duties exist between the approval of invoices and the entry of the invoice for payment into the cash disbursements system
- Fees paid to attorneys are based on the terms of a written contract

We selected 40 cash disbursements for testing in order to determine compliance with OCR's Fiscal Policies and Procedures Manual and the Colorado Revised Statutes. Thirty-seven attorney payments were selected and three general vendor disbursements were selected. We reviewed all invoices agreeing attorney name/vendor, amount, case number and description to the appropriate expenditure code and date of invoice compared to payment date for reasonableness. We also recalculated hourly bills and agreed contract billings to supporting documentation. We reviewed the Chief Justice Directives noting the charges that were eligible for reimbursement and traced each disbursement to the COFRS system.

The total amount of disbursements tested was \$179,224 broken down into the following categories:

Court Appointed Counsel:	
Dependency & Neglect – Hourly	\$ 22,047
Dependency & Neglect – Contract	96,700
Domestic Relations	4,409
Juvenile Delinquency – Hourly	3,987
Juvenile Delinquency – Contract	16,670
Mental Health	-
Paternity	1,164
Probate	1,497
Truancy	52
Other	<u>2,914</u>
Total Professional Services Disbursements Tested	149,440
Other disbursements	
Vendor Disbursements	9,784
CASA Services	<u>20,000</u>
Total Other Disbursements Tested	<u>29,784</u>
Total Disbursements Tested	\$ <u>179,224</u>

Findings:

No exceptions were noted.

Procedure:

We tested compliance with the OCR's Fiscal Policies and Procedures in conjunction with the cash disbursement testing in the previous procedure. For each disbursement, we noted reviewer's initials on the original invoice, approver's initials on the original invoice, each invoice was date stamped "Received" and invoice detail description matched the appropriate expenditure code in the CAC and COFRS systems. For attorney disbursements, we reviewed supporting documentation for contract disbursements, noted written verification of appointment, and noted specific written approval for fees requested over the maximum threshold for the type of case. For vendor and other payments, we reviewed W-9's for all new vendors. Per the OCR's Financial Budget Officer, no vendor purchases exceeding \$5000 occurred in FY2002 and none were noted per review of disbursement listings. We noted OCR has procedures in place for all purchases of goods greater than \$5000 and purchases of services exceeding \$25,000.

Findings:

No exceptions were noted.

Procedure:

We reviewed OCR's policy for procurement of professional services for FY2002.

Findings:

Per the OCR Executive Director, the policy utilized for Fiscal 2002 was carried over from the State Court Administrator's Office. Beginning in Fiscal 2003, a new policy will be in place.

Procedure:

We obtained total salary expenditures for FY2002 from COFRS and compared the expenditures, which totaled \$1,066,518, to a listing of salaries/contracts by individual for FY2002.

Findings:

The salary/contract analysis and COFRS were reconciled without exception.

Procedure:

We reviewed all Board of Directors, Colorado Springs GAL office and OCR Denver location expense reports for FY2002 for appropriate approvals.

Findings:

We noted that Board expenses, which consist of mileage to and from meetings for the board members, were appropriately approved. We noted that Colorado Springs GAL office expenses, which consisted of mileage to meetings and home visits, and reimbursements for small office supplies, were appropriately approved by the Colorado Springs GAL office and the Denver OCR office. We noted Denver OCR expense reports, which consist of mileage to and from attorney interviews and per diem for those visits, were also appropriately reviewed.

We were not engaged to and did not conduct an examination or review of the Office of the Child Representative, the objective of which is the expression of opinion or limited assurance that compensation paid was consistent with underlying employment agreements. Accordingly, we do not express such an opinion or limited assurance. 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 Office of the Colorado State Auditor and the Office of the Child Representative and is not intended to be and should not be used by anyone other than these specified parties.



Denver, Colorado
September 15, 2002

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