

Audit Report

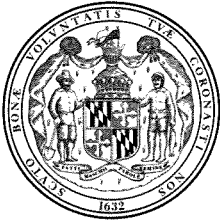
**Office of the Trust Clerk to the Circuit Court
Baltimore City, Maryland**

January 2014



OFFICE OF LEGISLATIVE AUDITS
DEPARTMENT OF LEGISLATIVE SERVICES
MARYLAND GENERAL ASSEMBLY

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Karl S. Aro
Executive Director

DEPARTMENT OF LEGISLATIVE SERVICES
OFFICE OF LEGISLATIVE AUDITS
MARYLAND GENERAL ASSEMBLY

Thomas J. Barnickel III, CPA
Legislative Auditor

January 6, 2014

Senator James C. Rosapepe, Co-Chair, Joint Audit Committee
Delegate Guy J. Guzzone, Co-Chair, Joint Audit Committee
Members of Joint Audit Committee
Annapolis, Maryland

Ladies and Gentlemen:

We have audited the Office of the Trust Clerk to the Circuit Court for Baltimore City, Maryland for the period beginning September 13, 2010 and ending October 9, 2013. The Office oversees the administration of guardianships, estates, trusts, and receiverships under the jurisdiction of the Circuit Court for Baltimore City.

Our audit did not disclose any findings that warrant mention in this report.

We wish to acknowledge the cooperation extended to us by the Office during the course of this audit.

Respectfully submitted,

Thomas J. Barnickel III, CPA
Legislative Auditor

Background Information

Agency Responsibilities

The Office of the Trust Clerk to the Circuit Court for Baltimore City oversees the administration of guardianships, estates, trusts, and receiverships under the jurisdiction of the Circuit Court for Baltimore City. The Trust Clerk performs this function by reviewing certain accounting reports filed by the fiduciaries in accordance with the Maryland Rules of Procedure (Title 10 and Title 13). For performing this function, the Office collected certain fees established by the Court. These fees are deposited to the State's General Fund.

Findings and Recommendations

Our audit did not disclose any significant deficiencies in the design or operation of the Office's internal control. Nor did our audit disclose any significant instances of noncompliance with applicable laws, rules, or regulations. A less significant finding was communicated to the Office that did not warrant mention in this report.

A draft copy of this report was provided to the Office. Since there are no recommendations in this report, a written response was not necessary.

Audit Scope, Objectives, and Methodology

We have audited the Office of the Trust Clerk to the Circuit Court for Baltimore City, Maryland for the period beginning September 13, 2010 and ending October 9, 2013. The audit was conducted in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

As prescribed by the State Government Article, Section 2-1221 of the Annotated Code of Maryland, the objectives of this audit were to examine the Office's financial transactions, records and internal control, and to evaluate its compliance with applicable State laws, rules, and regulations.

In planning and conducting our audit, we focused on the major financial-related areas of operations based on assessments of materiality and risk. The areas addressed by the audit included cash receipts and fiduciary reports. Our audit procedures included inquiries of appropriate personnel, inspections of documents and records, and observations of the Office's operations. We also tested transactions and performed other auditing procedures that we considered necessary to achieve our objectives.

Our audit did not include certain support services provided to the Office by the Office of the Clerk of Circuit Court for Baltimore City (such as payment of operating expenses) and the Administrative Office of the Courts (such as payroll, processing of invoices, and maintenance of budgetary accounting records). These support services are included within the scope of our audits of the Office of the Clerk of Circuit Court and the Judiciary.

The Office's management is responsible for establishing and maintaining effective internal control. Internal control is a process designed to provide reasonable assurance that objectives pertaining to the reliability of financial records, effectiveness and efficiency of operations including safeguarding of assets, and compliance with applicable laws, rules, and regulations are achieved.

Because of inherent limitations in internal control, errors or fraud may nevertheless occur and not be detected. Also, projections of any evaluation of internal control to future periods are subject to the risk that conditions may change or compliance with policies and procedures may deteriorate.

Our reports are designed to assist the Maryland General Assembly in exercising its legislative oversight function and to provide constructive recommendations for improving State operations. As a result, our reports generally do not address activities we reviewed that are functioning properly.

AUDIT TEAM

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