



July 8, 2003

William H. Abbuehl
Executive Director
Central Florida Legal Services, Inc.
128-A Orange Avenue
Daytona Beach, FL 32114-4310

Recipient No: 610010

Dear Mr. Abbuehl:

This final report (INP-03-006) provides the results of our inspection of the Central Florida Legal Services' client trust funds from January 1, 2001 to December 31, 2002. The inspection focused on compliance with record keeping requirements established in the LSC Accounting Guide For LSC Recipients (Accounting Guide).

The on-site inspection, conducted from May 21 through May 22, 2003, reviewed the records of the Daytona Beach and Cocoa offices. The inspection determined that the Central Florida Legal Services generally complied with the LSC Accounting Guide. Our observations and review of the records indicate the program efficiently operates its client trust funds.

Except as noted in the following discussion, the grantee has effective internal controls over the client trust funds and no significant violations of LSC requirements came to our attention.

Outstanding Checks. Six checks (two over two years old and four over three months old) totaling \$587 remained outstanding as of December 31, 2002. LSC recommends that checks outstanding over 60 days be cancelled. The grantee does not have procedures to follow up when checks remain outstanding for long periods of time. We suggest that the grantee adopt a policy requiring a monthly review of the outstanding checks. A letter should be sent to clients who do not cash checks within two months. If clients cannot be located, the outstanding checks should be cancelled in accordance with local banking procedures.

The comments of your Bookkeeper on this finding indicated agreement with the inspection's findings and that our suggestions are being implemented.

Please provide a copy of this report to each member of the Board of Directors of the Central Florida Legal Services.

Sincerely,

A handwritten signature in black ink, appearing to read "Leonard J. Koczur".

Leonard J. Koczur
Acting Inspector General