



CHIEF FINANCIAL OFFICER
JIMMY PATRONIS
STATE OF FLORIDA

August 2, 2023

The Honorable Donald C. Spencer
Clerk of Circuit Court
Santa Rosa County
4025 Avalon Boulevard
Milton, Florida 32583

Dear Mr. Spencer,

We completed our Article V Clerk of the Circuit Court Follow-Up Review Audit in accordance with Florida Statutes. Enclosed is a copy of our final report.

We appreciate your advanced preparation for our audit and the courtesy extended to our team. We look forward to working with your office in the future.

Please contact Kim Holland at (850) 413-5700 or kim.holland@myfloridacfo.com if you have any questions.

Sincerely,

A black rectangular redaction box covering the signature of Kim Holland.

Kim Holland

KH/daw

Enclosure



**JIMMY PATRONIS
CHIEF FINANCIAL OFFICER
STATE OF FLORIDA**

Florida Department of Financial Services

**SANTA ROSA COUNTY CLERK OF THE CIRCUIT COURT
AUDIT FOLLOW-UP**

Report No. 2023-117/August 1, 2023

BACKGROUND AND CONTEXT

The Department of Financial Services (DFS) has completed a follow-up review of the Santa Rosa County Clerk of the Court. The Department performed an audit of the Santa Rosa County Clerk of the Circuit Court in February 2020, Report No.2020-50. The auditors noted six (6) audit recommendations. A follow-up review was scheduled to review the implementation status of these audit recommendations.

OBJECTIVE AND SCOPE

The objective of the follow-up review was to determine the implementation status of prior audit observations and recommendations. The approach included interviews with staff members and an analysis of relevant files and supporting documentation.

The desk review covered County Fiscal Year (CFY) 2021-2022.

STATUS OF PRIOR AUDIT OBSERVATIONS & RECOMMENDATIONS

The auditors concluded that none of the recommendations have been implemented.

The summary of the audit recommendation status is as follows:

#	SUMMARY OF RECOMMENDATION	STATUS
1.	We recommend that the Clerk's office ensure that its court-related expenditures are allowable according to section (s.) 29.008, Florida Statutes (F.S.).	Per s. 29.008(1)(e), F.S., unallowable expenditures previously reported are still being allocated to the court. Administrative samples reviewed show that County related expenditures such as "copiers" are still being allocated to the court. This recommendation has not been implemented.

2.	We recommend the Clerk's office establish a method for sampling employees' time and effort between court-related and non-court related functions to ensure the allocation of payroll and administrative expenditures reflect an accurate appropriation of State funds. The methodology should include a basis for concluding whether the budgetary calculations are accurate. The Clerk's office may consider using a sampling method such as a time study, case file reporting, or guidance such as that found in Code of Federal Regulation (2 CFR 200), Appendix V.	The Clerk's office reported that they do not verify data on an annual basis due to the time and cost associated with compiling the data. This recommendation has not been implemented.
3.	We recommend the Clerk's office record shared payroll and administrative expenditures in the general ledger using the expenditure account codes provided in the Uniform Accounting System Manual in a manner that properly allocates the expenditure to the cost center benefited at the time the expenditure is incurred. We also recommend that the allocation percentages used to charge expenditures to the State be based on the employee's Full Time Employee (FTE) allocation rather than an average.	The Clerk's office has not changed the way they allocate expenditures nor updated their allocation methodology. Based on the auditors testing of administrative expenditures, allocations are not in accordance with the employee's FTE allocation resulting in overcharges to the State. This recommendation has not been implemented.
4.	We recommend the Clerk's office have a separate individual verify and document that all goods and services received match the goods or services ordered.	The Clerk's office did not provide any evidence for verification of goods or services ordered. This recommendation has not been implemented.
5.	We recommend the Clerk's office adhere to s. 112.061, F.S., which requires prior authorization for travel as described above. Any authorization form may be used as long as it contains the elements required by State law.	Pursuant to s. 112.061 F.S., the documentation provided by the Clerk's office shows no evidence of prior authorization for conference travel. This recommendation has not been implemented.
6.	We recommend the Clerk's office enhance the travel policy and travel forms in accordance with s.112.061, F.S., to ensure the appropriate use of State funds. We further recommend that all travel reimbursements are carefully reviewed by a secondary person prior to payment to ensure all travel is in accordance with State laws.	The Clerk's office was unable to provide documentation to show that the travel policy had been updated to comply with s. 112.061, F.S. The Clerk's office is using the State Travel Reimbursement Form; However, all fields are not being used on the form such as the travel period. Also, the cost allocations for the traveler were not correct. This recommendation has not been implemented.