



CHIEF FINANCIAL OFFICER
JIMMY PATRONIS
STATE OF FLORIDA

May 1, 2024

The Honorable Tami Pearce Simmons
Clerk of the Court and Comptroller
Glades County
500 Avenue J, Suite 102
Moore Haven, Florida 33471

Dear Clerk Simmons,

We completed our Article V Clerk of the Circuit Court Compliance 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 Renée Hermeling.

Renée Hermeling

RH/avg

Enclosure

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

Florida Department of Financial Services

**GLADES COUNTY
CLERK OF THE CIRCUIT COURT
COMPLIANCE AUDIT**

**Report No. 2024-125
April 29, 2024**

WHY WE DID THIS AUDIT

The Florida State Constitution requires that selected salaries, costs, and expenses of the state courts system and court-related functions shall be funded from a portion of the revenues derived from statutory fines, fees, service charges, and court costs collected by the clerks of the court and from adequate and appropriate supplemental funding from state revenues as appropriated by the Legislature.¹

In order to ensure compliance, the Chief Financial Officer (CFO) has contracted with the Florida Clerk of Court Operations Corporation (CCOC) to establish a process for auditing the court-related expenditures of the individual Clerks pursuant to State law.² The audits are conducted by the Department of Financial Services (DFS), Bureau of Auditing, Article V Section. It is the practice of the Department to conduct these audits every three to five years.

WHAT WE FOUND

We concluded that, overall, the sampled Clerk's office administrative and payroll expenditures generally complied with applicable State laws, and funds were expended for allowable court-related costs and that transactions were accurate, properly approved and recorded, and served a public purpose. Exceptions are noted in the Observations and Recommendations section below.

WHAT WE DID

Our audit included an examination of accounts and records and the sampling of various court-related transactions related to administrative and payroll expenditures for county fiscal years (CFY) 21-22, CFY 22-23, CFY 23-24 (through January 2024). The following objectives have been established for the audit of court-related expenditures:

- Evaluate whether court-related expenditures were in compliance with State laws.³
- Evaluate whether court-related expenditures were properly authorized, recorded, and supported.
- Evaluate whether expenditures were within the budgeted appropriations.
- Evaluate the accuracy and completeness of expenditures reported on the Clerk of Court Expenditure and Collections Report.
- Evaluate whether the Clerk's salary and total payroll costs were within the applicable caps established by the Florida Legislature's Office of Economic and Demographic Research.
- Evaluate the Clerk's methodology for allocating payroll costs between court and non-court related functions.

¹Section 14(b), Art. V, Florida Constitution.

²Section 28.35(2)(e), Florida Statutes.

³Sections 28.35(3)(a), 28.37(5), and 29.008, Florida Statutes.

- Evaluate whether ten percent (10%) of all court-related fines collected are deposited into the fines and forfeiture fund and used exclusively for court-related functions.⁴

GLADES COUNTY AT A GLANCE

The Glades County Clerk of the Circuit Court and Comptroller serves a population of 12,273⁵.



Table 1 shows the budgeted and actual expenditures for each fiscal year reviewed. Juror expenditures are not included.

Table 1

Year	Budgeted	Actual
CFY 21-22	\$566,489	\$496,841
CFY 22-23	\$579,028	\$529,038

Source: CCOC Budget Letter and Expenditure and Collection (EC) reports. Juror expenditures are not included.

The budgeted growth from October 2021 through September 2023 was 2.2%. The actual expenditures increased by 6.4% over the same period.

Table 2 shows the budgeted and actual full-time equivalent (FTE) positions, who charge either all or a portion of employee time to court-related duties. The budgeted number of FTEs includes vacant positions. The actual number of FTEs includes only filled positions.

Table 2

Year	Budgeted FTEs	Actual FTEs
CFY 21-22	8.57	9.32
CFY 22-23	8.47	9.12

The budgeted FTEs decreased by 1.1% for the period October 2021 through September 2023. The actual number of FTEs decreased by 2.1% over the same period.

STATUS OF PRIOR AUDIT RECOMMENDATIONS

The Department performed an audit of the Glades County Clerk of the Circuit Court in April 2021, Report No. 2021-64. The auditors noted two (2) recommendations.

1. We recommended, per section 218.33, Florida Statutes (F.S.), the Clerk's office use the Uniform Accounting System Manual (UASM) codes that outline the uniform classification of accounts for units of local government, and specifically outlines the requirements for court-related account codes. Based on our recent testing of administrative expenditures, we have concluded that this recommendation has been partially implemented. See the Observations and Recommendations section below.

⁴ Section 28.37(6), Florida Statutes.

⁵ The Florida Legislature's Office of Economic and Demographic Research Report Salaries of Elected County Constitutional Officers and School District Officials for Fiscal Year 2023-2024, September 2023. <http://edr.state.fl.us/Content/local-government/reports/finsal23.pdf>

2. We recommended the Clerk's office establish a method for sampling employees' time and effort between court-related and non-court related activities to ensure the allocation of payroll and administrative expenditures reflects an accurate appropriation of State funds. Based on our recent review of the Clerk's allocation methodology, this recommendation has not been implemented.

OBSERVATIONS AND RECOMMENDATIONS

Overall, the Clerk's court-related expenditures were in compliance with sections 28.35(3)(a) and 29.008, F. S., and internal controls and procedures were in place for proper reporting, except for the following items:

Financial Reporting

Section 218.33, F.S., states that each local governmental entity shall follow uniform accounting practices and procedures as promulgated by rule of the department to assure the use of proper accounting and fiscal management by such units. Such rules shall include a uniform classification of accounts. The DFS' Uniform Accounting System Manual (UASM) outlines the uniform classification of accounts for units of local governments, and specifically, outlines the requirements for court-related account codes. These account codes are also used to prepare the annual Clerk of Court budget submitted to the CCOC.

During our testing of the Clerk's payroll and administrative expenditures, we noted that the Clerk's office did not use all of the expenditure account codes as required by the UASM. The Clerk's office has, however, implemented a new accounting system and is in the process of expanding its use of the UASM codes.

In order to ensure more accuracy in preparing the annual budget submissions to the CCOC, we recommend the Clerk's office continue to develop its use of the UASM codes to be consistent with the codes used for preparing the annual budget.

Allocation Methodology

The allocation of full-time equivalents (FTEs) between court and non-court functions, should be based on an accumulation of relevant, sufficient, and reliable data and compared to subsequent actual data to determine the reliability of the estimate. The Clerk's office does not have a clear methodology for allocating payroll and administrative expenditures between court and non-court-related functions.

The Clerk's office indicated it uses both an objective and subjective methodology to estimate their allocation percentages. They could not, however, provide documentation supporting these objective measures.

We recognize the small size of the staff at the Clerk's office; however, 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. Without an accurate basis for allocating costs, the Clerk's office has no assurance that the estimates used for budgeting purposes are accurate or need to be revised for the next budget cycle.