

State of Florida
Florida Department of Financial Services

Division of Accounting & Auditing
Bureau of Auditing

Article V Quarterly Audit Report
(July – September 2015)



October 2015

PURPOSE OF REPORT

In accordance with Chapter 2015-232, Laws of Florida, line item 2327, please allow this report to serve as the Department of Financial Services (DFS) second quarterly report to summarize the efforts made by our office to audit all court related expenditures of the clerks of court pursuant to sections 28.241 and 28.35, F.S., during the quarter July 1, 2015 to September 30, 2015.

CHIEF FINANCIAL OFFICER'S AUTHORITY

Section 17.03, Florida Statutes (F.S.), provides that the Chief Financial Officer, using generally accepted auditing procedures for testing or sampling, shall examine, audit and settle all accounts, claims and demands whatsoever, against the state, arising under any law or resolution of the Legislature, and issue a warrant directing the payment out of the State Treasury of such amount as he or she allows.

Section 28.35(2)(e), F.S., provides that the Department of Financial Services, Bureau of Auditing (Bureau), will conduct an audit of the Clerks of Court (Clerk) by examining court related expenditures. The Bureau will audit court related expenditures of State funds to determine compliance with Section 28.35(3) (a), F.S., and whether the expenditures were properly authorized, recorded, and supported.

AUDIT OBJECTIVES

The following objectives have been established for the audit of court related expenditures:

- Evaluate whether the Clerk used other funding sources (from the County or any of the 10% of fines from the Modernization Trust Fund (TF)) to subsidize the court related budget and/or expenditures.
- Evaluate whether expenditures were within the budgeted appropriations.
- Evaluate the accuracy and completeness of expenditures reported on the Court Expenditures and Clerks' Trust Fund Collections Tracking Reports.
- Evaluate whether court related expenditures are in compliance with section 28.35(3) (a) and 28.37(2), F.S.
- Evaluate whether court-related expenditures are properly authorized, recorded, and supported.
- Evaluate whether Clerk's salary and total payroll costs are within the applicable caps established by the Florida Legislative Committee on Intergovernmental Relations.
- Evaluate whether court-related salary expenditures are properly authorized, recorded, and supported.

AUDIT FINDINGS

The Department completed one (1) audit during this quarter. There are no findings to report for this reporting period.

JEFFERSON COUNTY CLERK OF COURT

On September 15, 2015, the Department released its report (Report 2016-01) on the audit conducted on the Jefferson County Clerk of Court. Based upon its review of Jefferson County, DFS found the Clerk's budgeting practices and expenditure of State funds to be efficient and accurate. No deficiencies were identified.

The report for this audit can be found on the DFS Website at:
<http://www.myfloridacfo.com/Division/AA/AuditsReviews/default.htm>.

ACTIVITIES FOR THE REPORTING PERIOD

The Department continued its recruitment of a permanent field team, and during the reporting period, successfully completed two sets of interviews. A selection has been made for the Article V team's vacant administrator. While recruitment of the permanent field team continues, the Department will continue to utilize existing staff from within the Division of Accounting and Auditing to conduct the audits.

In addition to completing the Jefferson County review, the Department also concluded field work on the Walton County Clerk of Court.

The Department had originally estimated that an audit would take 10-15 days of fieldwork, with additional days to finalize work papers and draft the audit report. During the Jefferson and Walton County audits, the Department determined that the field work took less time than anticipated, however the development of work papers and completion of the audit report took longer than anticipated. The Department still projects each audit to take between 20 and 30 days to complete. At the conclusion of the Franklin and Madison County audits, the Department will evaluate the fieldwork time in order to determine the makeup of the schedule for the remainder of the fiscal year. Until the permanent team is assembled, the Department will continue to focus its short term schedule on counties in close proximity to Tallahassee.

PLANNED ACTIVITIES FOR THE NEXT REPORTING PERIOD

The Department will complete its audit of the Walton County Clerk's office.

The Department will request an Entrance Conference for upcoming court-related expenditure audits of Franklin, Madison, and Marion counties.