



REPRESENTING  
**ALEX SINK**  
CHIEF FINANCIAL OFFICER  
STATE OF FLORIDA

**SUWANNEE COUNTY**  
**CLERK OF CIRCUIT COURT**  
**BUDGET REVIEW**

REPORT DATE:  
June 22, 2009

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## ALEX SINK CHIEF FINANCIAL OFFICER

### INTRODUCTION

The Department of Financial Services (DFS) has completed a review of the budget certifications made by the Suwannee County Clerk of Circuit Court's Office to the Clerks of Court Operations Corporation (CCOC), pursuant to Section 28.35(3)(b), Florida Statutes (F.S.). The scope of our review focused on validating the processes and methodologies utilized in the development of the Clerk's budgets for fiscal years 2006-2007 (FY 06-07) and 2007-2008 (FY 07-08).

The Chief Financial Officer (CFO) has contracted with CCOC to establish a process for review and certification of court-related budgets submitted by the Clerks of Circuit Courts. The CCOC is responsible for calculating the maximum authorized annual budget, identifying budgets exceeding the maximum expenditure amounts for a standard list of court-related functions and identifying budgets that have insufficient revenues to cover court-related expenditures, pursuant to Section 28.36, F.S.

### SUMMARY

- The FY 06-07 and FY 07-08 approved budgets were \$1,092,074 and \$1,200,327, respectively.
- Suwannee County has a population of 39,608 and had 28.01 and 26.61 Full Time Employees (FTEs) budgeted to support court-related activities for FY 06-07 and FY 07-08, respectively.
- Budgeted revenues and expenditures for FY 06-07 were \$1,019,893 and \$1,092,074, respectively, resulting in a budgeted deficit of \$72,181. Actual revenues and expenditures for FY 06-07, which included payments to and from the Clerks of Court Trust Fund, detailed a surplus of \$138,790. The Clerk remitted the FY 06-07 surplus to DOR on December 31, 2007, for deposit in the General Revenue Fund, pursuant to the provisions of Section 28.37(4), F.S.

- Budgeted revenues and expenditures for FY 07-08 are \$1,255,734 and \$1,200,327, respectively, resulting in a \$55,407 budgeted surplus. Monthly payments to the Clerks of the Court Trust Fund are scheduled to liquidate the Clerk's projected surplus pursuant to CCOC directive.
- The Clerk has an internal system and reporting procedures for measuring and reporting on all required performance standards.

## **SCOPE, OBJECTIVES AND METHODOLOGY**

### **Scope**

The Scope of our review included an analysis of the development of the Clerk's FY 06-07 and FY 07-08 budgets. Our review was conducted on October 21 - 24, 2008, at the Suwannee County Clerk of Circuit Court's Office.

### **Objectives and Methodology**

The budget review was conducted with the following objectives:

- Each Clerk shall develop a budget funded from fees, services charges, court costs and fines, pursuant to Sections 28.35, 28.36 and 28.37, F.S. Clerks must provide detailed information on expenditures necessary for the performance of court-related functions using the court-related codes in the Uniform Accounting System Manual (UASM). The budget shall be submitted annually to CCOC for review and approval. The CCOC budget approval process focuses on the following key components:
  - Overhead Cost Allocation – The Suwannee County Clerk's Office applied a 57.75 percent cost allocation rate to the FY 06-07 certified annual budget. A 56.62 percent cost allocation rate is being utilized for the FY 07-08 budget.
  - Our review of supporting documentation disclosed that the methodologies used to calculate and distribute overhead costs were reasonable.
  - Distribution of Court-Related FTEs – The Suwannee County Clerk's Office budgeted 28.01 of 48.50 and 26.61 of 47.00 FTEs for FY 06-07 and FY 07-08, respectively, to support court-related functions.
  - General Fund Expenditures – The final approved budget for FY 06-07 was \$1,092,074. Major expenditure categories were: Personal Services (\$1,003,433) and Operating Expenses (\$88,641). The final approved budget for FY 07-08 was \$1,200,327. Major expenditure categories are: Personal Services (\$1,096,523) and Operating Expenses (\$103,804).

- Revenue Forecasting – Budgeted revenues of \$1,019,893 and \$1,255,734 were calculated for FY 06-07 and FY 07-08, respectively, based on prior period data and management’s assessment of future operational activities.
- Our review determined that the Clerk’s FY 06-07 and FY 07-08 budgets were prepared pursuant to CCOC instructions and submitted in accordance with the provisions of Section 28.36, F.S.
- Expenditures during the review period were limited to court-related functions as specified in Section 28.35(4)(a), F.S.
- Revenues for fees, services charges, court costs and funding for court-related functions for FY 06-07 were assessed pursuant to the provisions of Chapter 28, F.S. The Clerk’s budget for FY 07-08 was based on projected revenues from the same sources, pursuant to Section 28.36, F.S.
- Clerks are required to maintain a partial fee payment system, pursuant to Section 28.246, F.S. The Suwannee County Clerk’s Office is currently utilizing an internal database system to account for partial fee payments. The Clerk is contracting with an external collection agency to assist collecting delinquent accounts 120 days past due.
- Suwannee County Clerk of Court was designated a “recipient” office for FY 06-07 by CCOC based upon a budgeted deficit of \$72,181. Monthly remittances from the Clerks of the Court Trust Fund were scheduled to fund the Clerk’s projected deficit pursuant to CCOC directive. The Clerk reported a FY 06-07 surplus of \$138,790 based on actual revenues and expenditures of \$1,297,514 and \$1,158,724, respectively, which included payments to and from the Clerks of Court Trust Fund. The Clerk remitted the FY 06-07 surplus to DOR on December 31, 2007, for deposit in the General Revenue Fund, pursuant to the provisions of Section 28.37(4), F.S.
- Suwannee County Clerk of Court is designated a “donor” office for FY 07-08 by CCOC based upon a budgeted surplus of \$55,407. Projected revenues and expenditures for FY 07-08 are \$1,255,734 and \$1,200,327, respectively. Through the time of our review (based on report data through September 2008), the Clerk’s Office reported a FY 07-08 surplus of \$18,473 based on revenues and expenditures of \$1,134,088 and \$1,115,615, respectively, which included payments to the Clerks of Court Trust Fund.
- The following performance measures were adopted by CCOC, pursuant to Section 28.35, F.S., for FY 05-06, FY 06-07 and FY 07-08:
  - Outputs – The outputs consist of the number of civil cases filed and the number of criminal defendants handled, by Court Divisions, as identified by the Clerk’s Office. The Clerk reported 8,121 cases filed and 3,348 defendants during FY 06-07. The Clerk reported 3,689 cases filed and 1,410 defendants for the first half of FY 07-08.

- Outcome Measures – Timeliness and Collection Rate:
  - Timeliness – New cases opened within a designated number of business days after the initial filing. The Clerk has the ability to collect data and report timeliness measures on new cases. The Clerk reported meeting or exceeding 14 of 20 performance standards to CCOC for FY 06-07. The Clerk reported meeting or exceeding 17 of 20 performance standards to CCOC for the first half of FY 07-08.
  - Collection Rate – The collection rate is calculated by dividing collections by the adjusted assessments. The Clerk was not able to report collections performance standards to CCOC for FY 06-07. The Clerk reported meeting or exceeding 7 of 9 collections performance standards to CCOC for FY 07-08.
- Fiscal Management Measures – Fiscal Management Standards:
  - Status Report – The Clerk reported meeting or exceeding 9 of 9 fiscal management standards to CCOC for FY 05-06 and FY 06-07.
- Jury Management Measures – Percentage of juror payments issued timely:
  - Jurors Report – The Clerk reported 76.3 percent of juror payments issued timely to CCOC for the first half of FY 07-08.

## FINDINGS AND RECOMMENDATIONS

### **Finding Number 1:**

Based upon our review, we found the Clerk’s budgeting practices and expenditure and revenue methodologies for State funds to be efficient and accurate. We concluded the Suwannee County Clerk’s Office is currently able to report on all required performance standards. However, the Clerk’s Office did not meet or exceed the performance measure standard for collections in FY 06-07.

### **Recommendation Number 1:**

The Clerk should adhere to all performance measure reporting requirements prescribed by the CCOC.

**Finding Number 2:**

The Suwannee County Clerk’s Office did not meet the required performance standard for juror payments issued timely. Clerks are required to issue juror payments within 20 days after completion of juror services, pursuant to Section 40.32, F.S.

**Recommendation Number 2:**

The Suwannee County Clerk’s Office should closely adhere to Section 40.32, F.S. regarding timely payment for juror services.

**Finding Number 3:**

Clerks are required to remit excess fines, fees, service charges and costs collected to DOR for deposit in the General Revenue Fund by the 20<sup>th</sup> of the following month, pursuant to Section 28.37(2), F.S. The Suwannee County Clerk’s Office frequently remitted payments past the deadline.

**Recommendation Number 3:**

The Suwannee County Clerk’s Office should closely adhere to and follow all remittance requirements prescribed by Section 28.37(2), F.S.

**REVIEW TEAM**

- Burton Marshall, *Chief, Bureau of Local Government*
- Priscilla Bailey-Brown, *Financial Administrator*
- Mark Gressel, *Professional Accountant Specialist*
- Angie Vermette, *Professional Accountant Specialist*
- Jessica Robinson, *Professional Accountant Specialist*
- Jeremy Smith, *Professional Accountant Specialist*

# APPENDIX



## Appendix A



REPRESENTING  
**ALEX SINK**  
CHIEF FINANCIAL OFFICER  
STATE OF FLORIDA

July 30, 2008

The Honorable Kenneth Dasher  
Clerk of Circuit Court  
Suwannee County  
200 South Ohio Avenue  
Live Oak, Florida 32064

Dear Mr. Dasher:

The Department of Financial Services (DFS) has scheduled a review of your budget processes in accordance with Section 28.35, Florida Statutes. The dates mutually selected for this review are October 21 – 24, 2008. Our review will encompass the following objectives: Analyze the methodologies used to develop both the current and prior fiscal years Clerks of Court Operations Corporation (CCOC) certified budget; review expenditures to ensure compliance with Florida Statutes; analyze projected and year-to-date revenues; and review methods used to collect and report data regarding performance measures.

To minimize disruptions to your daily operations, we request you have the following copies available upon our arrival:

1. Current organization chart.
2. Internal documentation of methodologies used to allocate FTEs to court-related activities.
3. Payroll subsidiary ledger for the most recent pay date and current annual salary listing by employee. Please do not include Social Security Numbers on documentation.
4. Listing of General Ledger codes (500-700 range) as prescribed by the DFS Uniform Accounting System Manual Chart of Accounts.
5. General Ledger report of court-related revenues and expenditures for FY 06-07 and FY 07-08 (through August 2008).
6. Revenue and Expenditure Tracking Reports submitted to CCOC for FY 06-07 and FY 07-08 (through August 2008).
7. Copies of monthly transmittals to the Department of Revenue for revenues remitted, pursuant to Sections 28.241(1)(a), 28.37(2) and 28.37(4), Florida Statutes.
8. Report detailing outstanding balance for each partial payment account.

FLORIDA DEPARTMENT OF FINANCIAL SERVICES  
Burton S. Marshall, CPA • Chief  
Division of Accounting and Auditing • Bureau of Local Government  
200 E. Gaines St. • Tallahassee, FL 32399-0354 • Tel. 850-413-5588 • Fax 850-413-5548  
Email • [Burton.Marshall@myfloridacfo.com](mailto:Burton.Marshall@myfloridacfo.com)  
Affirmative Action • Equal Opportunity Employer

## Appendix A (continued)

The Honorable Kenneth Dasher  
July 30, 2008  
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9. Contract, outstanding balance of accounts assigned, and supporting records for remittances by collection agency for FY 06-07 and FY 07-08 (through August 2008), if applicable.
10. Submissions of timeliness and collections performance measure data and any related supporting documentation to CCOC for FY 06-07 and FY 07-08 (through August 2008).
11. Any internal documentation used to complete a Budget Amendment Request(s) approved by CCOC, if applicable.
12. Management Letter from the Annual Audit Report for FY 05-06 and FY 06-07.
13. Fiscal Management Measures Status Report Form to CCOC for FY 05-06 and FY 06-07.
14. FY 07-08 Rebasing worksheets for Budget Submission to the CCOC.

Please have the requested information available for fiscal years 2005-2006, 2006-2007 and 2007-2008, as our review will cover these periods. Mr. Mark Gressel and Mr. Jeremy Smith will represent DFS during this review.

We ask that you provide workspace for DFS and a lead from your staff to assist in the review. It is not our intent to disrupt your operations. You may contact us to reschedule if, for any reason, the dates selected cannot be accommodated. Please use Mrs. Priscilla Bailey-Brown as our primary point of contact at (850) 413-5592 or [priscilla.bailey-brown@myfloridacfo.com](mailto:priscilla.bailey-brown@myfloridacfo.com).

Thank you for your advanced preparation. We look forward to working with you and your staff.

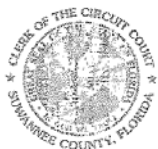
Sincerely,



*for* Burton S. Marshall

BSM:cc

Appendix B



Barry A. Baker  
Clerk

OFFICE OF THE  
**CLERK OF THE CIRCUIT COURT**  
THIRD JUDICIAL CIRCUIT • SUWANNEE COUNTY

RECEIVED

MAY 15 2009

Bureau of  
Local Government

Burton S. Marshall, CPA - Chief  
Division of Accounting and Auditing  
200 E. Gaines St.  
Tallahassee, Florida 32399-0354

05-05-09

Dear Mr. Burton,

I have received your Budget Review Report reporting your findings of the Suwannee County Clerk of Court. Thank you for pointing out the areas where we need to comply. It is the goal of this office to provide the high level of fiscal responsibility requested.

After reviewing the findings, I have prepared the following proposals for the purpose of improving those areas noted.

**CURRENT YEAR FINDINGS**

- Finding #1: We concur that the performance measure standard for collections was not met in FY 06-07. Procedures have been put in place to bring us into compliance.
- Finding #2: We concur with the juror payment finding. We have streamlined this process to avoid future delays.
- Finding # 3: We concur with this finding. We have reviewed the processes and implemented steps to avoid future delays.

We appreciate and welcome the constructive assistance and courtesy extended.

Sincerely,

Handwritten signature of Leeta R. Bronson in cursive.

Leeta R. Bronson  
Finance Director