

May 8, 2023

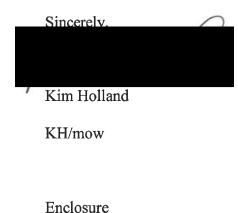
The Honorable Barbie Higginbotham Clerk of Circuit Court Dixie County 214 Northeast Highway 351 Cross City, Florida 32628

Dear Ms. Higginbotham,

We completed our Article V Clerk of the Circuit Court Follow-Up Review Audit in accordance with Florida Statutes (F.S.). 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 <u>kim.holland@myfloridacfo.com</u> if you have any questions.





JIMMY PATRONIS CHIEF FINANCIAL OFFICER STATE OF FLORIDA

Florida Department of Financial Services

DIXIE COUNTY CLERK OF THE CIRCUIT COURT AUDIT FOLLOW-UP

Report Number 2023-104/May 4, 2023

BACKGROUND AND CONTEXT

The Department of Financial Services (DFS) has completed a follow-up review of the Dixie County Clerk of the Circuit Court. The Department performed an audit of the Dixie County Clerk of the Circuit Court in September 2019. The audit noted ten (10) audit recommendations. A follow-up review was scheduled to review the implementation status of this audit recommendation.

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.

STATUS OF PRIOR AUDIT OBSERVATIONS & RECOMMENDATIONS

A status letter was issued to the Dixie County Clerk's office staff on March 15, 2023, with a request for a response to be provided electronically via email by April 3, 2023. The Dixie County Clerk's office provided a response on March 21, 2023. An engagement letter was then issued to the Dixie County Clerk's office on April 6, 2023, with a request due date of April 25, 2023. However, no response was received by the due date. Therefore, we are unable to conclude whether all recommendations have been implemented at this time.

The summary of the audit recommendation status is as follows:

#	SUMMARY OF RECOMMENDATION	STATUS
1.	28.35(3)(a), Florida Statute (F.S.). We also recommend that the Clerk's office reimburse the Clerks of the Court Trust Fund for the expenditures above totaling \$565.	The Clerk's office status letter response stated, "no expenditures to Sam's have been made and expenditures are distributed to appropriate cost centers. We have no way of determining if the amount of \$565.00 was paid back to the Court Trust Fund." At this time, we are unable to conclude whether these recommendations were implemented; therefore, the status of these recommendations remain incomplete.

2.	We recommend the Clerk's office should ensure that its court-related expenditures are allowable according to s. 29.008, F.S. We also recommend the Clerk's office reimburse the Clerks of the Courts Trust Fund for the expenditures above for \$4,060.	The Clerk's office status letter response stated, "since taking office, computers equipment has not been purchased from Court Funds. We have no way of deterring if the amount of \$4,060.00 was paid back to the Court Trust Fund." At this time, we are unable to conclude whether these recommendations were implemented; therefore, the status of these recommendations remain incomplete.
3.	We recommend that the Clerk's office implement procedures to support the balances in the Florida Clerks of Court Operations Corporation (CCOC) Expenditure and Collection (EC) Report and retain these documents for audit purposes.	The Clerk's office status letter response stated, "EC Reports are completed in a timely manner, but we are still working on improving our reconciliation process." Based on the Clerk's response, we did not inquire about these recommendations, as the status of these recommendations remain incomplete.
4.	We recommend that the Clerk's office ensure that their bank signature cards as well as Electronic Funds Transfer (EFT) access authorities appropriately designate only authorized individuals.	The Clerk's office status letter response stated, 'Bank signature cards are up to date." At this time, we are unable to conclude whether this recommendation was implemented; therefore, the status of this recommendation remains incomplete.
5.	We recommend that the Clerk's office establish a travel policy whereby travel vouchers are approved by the Clerk or a designated approver.	The Clerk's office status letter response stated, "We have a travel policy, and all Travel is approved by the Clerk of Court." At this time, we are unable to conclude whether this recommendation was implemented; therefore, the status of this recommendation remains incomplete.
6.	authorized and that a separate individual verify and document that the goods ordered match the goods received. We also recommend that the Clerk's office establish	The Clerk's office status letter response stated, "The authorized purchases are limited to the Chief Deputy Clerk and a backup. Any purchases over \$500.00 must be approved by the Clerk or The Chief Deputy Clerk. We do not use purchase orders." At this time, we are unable to conclude whether these recommendations were implemented; therefore, the status of these recommendations remain incomplete.

We recommend that time sheets be The Clerk's office status letter response stated, recalculated upon review and approval by 'Since taking office on Jan. 5, 2021, a time supervisory personnel to ensure the accuracy clock system has been implemented. of the hours worked. We further Timesheets are reviewed, approved biweekly. recommend the Clerk's office ensure that an Two separate individuals review the input prior authorized employee other than the to being transmitted to the bank." individual preparing the payroll review the At this time, we are unable to conclude whether payroll registers prior to final release of the these recommendations were implemented; payroll to the bank. therefore, the status of these recommendations remain incomplete. 8. We recommend the Clerk's office retain The Clerk's office status letter response stated, current and approved personnel action forms 'All current & approved personnel action for all employees in their personnel files. forms are filed in personnel file since 2021." At this time, we are unable to conclude whether this recommendation was implemented; therefore, the status of this recommendation remains incomplete. 9. We recommend the Clerk's office establish a The Clerk's office status letter response stated, method for sampling employees' time and Since taking office in Jan. of 2021 we have effort between court-related and non-court reviewed and allocated time per cost center. related activities to ensure the allocation of We have adjusted this annually and base this on payroll expenditures reflects an accurate discussions of the average time spent on task. appropriation of State funds. The In a small Clerks office, there is overlap in methodology should include a basis for activities depending on needs due to staffing concluding whether the budgetary estimates and load." are accurate. The Clerk's office might At this time, we are unable to conclude whether consider using a sampling method such as a this recommendation was implemented; time study, or guidance such as that found in therefore, the status of this recommendation Code of Federal Regulation (2 CFR 200), remains incomplete. Appendix V. 10. We recommend that bank reconciliations The Clerk's office status letter response stated, include documentation of the individual who 'When taking office in Jan of 2021, no prepared and reviewed them as well as reconciliations had been completed since 2019. documentation indicating the date prepared We have been working hard to update and and reviewed. We also recommend the reconcile all accounts in a timely manner." Clerk's office investigate the differences At this time, we are unable to conclude whether between the book balance and the bank these recommendations were implemented; statement balance for the unreconciled bank therefore, the status of these recommendations statement. Additionally, the Clerk's office noted in Report Number 2019-45 remain should prepare reconciliations in a timely incomplete. manner in the future, and that all reconciliations and bank statements be kept on file for audit purposes. We further recommend that the Clerk's office evaluate its cash management procedures to minimize overdraft fees from the bank.