

**State of Florida**  
**Florida Department of Financial Services**

**Division of Accounting & Auditing**  
**Bureau of Auditing**

**Article V Quarterly Audit Report**  
**(July – September 2024)**



**October 2024**

## PURPOSE OF REPORT

In accordance with Chapter 2024-25, Laws of Florida, line item 2438, please allow this report to serve as the Department of Financial Services (DFS) quarterly report to summarize the efforts made by our office to audit court-related expenditures of the Clerks of the Circuit Court pursuant to sections 28.35 and 28.241, Florida Statutes (F.S.), during the quarter July 1, 2024, to September 30, 2024.

## CHIEF FINANCIAL OFFICER’S AUTHORITY

Section 28.35(2)(e), F.S., provides that the DFS, Bureau of Auditing (Bureau), will conduct an audit of the Clerks of the Circuit Court (Clerk) by examining court-related expenditures. The Bureau will audit court-related expenditures of State funds to determine compliance with State law<sup>1</sup> 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 the actions taken by the Clerks’ offices to correct observations noted in previous reports.
- Evaluate whether court-related expenditures comply with State laws.<sup>2</sup>
- Evaluate whether court-related expenditures are properly authorized, recorded, and supported.
- Evaluate whether expenditures are within the budgeted appropriations.
- Evaluate the accuracy and completeness of expenditures reported on the Clerk of Court Expenditures and Collections Reports.
- 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 whether ten percent of all court-related fines collected are deposited into the fines and forfeiture fund and used exclusively for court-related functions<sup>3</sup>.
- Evaluate the Clerk’s methodology for allocating payroll costs between court and non-court-related functions.

## AUDIT RECOMMENDATIONS

The Department completed four (4) audits during this quarter. Below is a summary of the recommendation associated with these audits. The reports can be found on the DFS Website at: <https://www.myfloridacfo.com/division/aa/local-governments/clerk-of-the-circuit-courts-audits>.

<sup>1</sup>Sections 28.35(3)(a) and 28.37(5), Florida Statutes.

<sup>2</sup>Sections 28.35(3), 28.37(6), and 29.008, Florida Statutes.

<sup>3</sup>Section 28.37(6), Florida Statutes.

<b>Status of Prior Audit Recommendations</b>	<b>Status of Corrective Actions</b>
<b>Okaloosa</b>	Two (2) of the two (2) recommendations were implemented.
<b>Seminole</b>	Two (2) of the two (2) recommendations were partially implemented.
<b>Walton</b>	The one (1) previous recommendation was not implemented.
<b>Hendry</b>	One (1) of the two (2) recommendations was partially implemented. One (1) was not implemented.

<b>Recommendations</b>	<b>County</b>
Inconsistent with the Clerk’s policy, ineligible employees received cell phone stipends.	Okaloosa
No documented methodology for allocating personnel expenditures between court and non-court related accounts.	Okaloosa Walton Hendry
Does not use the Uniform Accounting System Manual classification of accounts.	Okaloosa
Unallowable expenditures related to county funding according to s. 29.008(1)(a), F. S.	Seminole
Only one bank signor on the bank accounts.	Okaloosa Walton Hendry
Payroll incentives were not documented in the employee handbook.	Okaloosa
The Clerk’s office had no written purchasing policy.	Walton Hendry
Travel expenditures were not in compliance with s. 112.061, F. S.	Hendry

For more information on the above counties, see the completed reports at:

<https://www.myfloridacfo.com/division/aa/local-governments/clerk-of-the-circuit-courts-audits>.

### **ACTIVITIES FOR THE REPORTING PERIOD**

The Department completed compliance audits for Okaloosa, Seminole, Walton, and Hendry Counties. The Department initiated the compliance audits for Hardee, Franklin, and Madison Counties.

### **PLANNED ACTIVITIES FOR THE NEXT REPORTING PERIOD**

The Department will finalize the reports for Hardee, Franklin, and Madison Counties. The Department is planning to initiate compliance audits for Hamilton, Marion, and Collier Counties in the next quarter.