

State of Florida
Florida Department of Financial Services

Division of Accounting & Auditing
Bureau of Auditing

Article V Quarterly Audit Report
(April – June 2021)



July 2021

PURPOSE OF REPORT

In accordance with Chapter 2020-21, Laws of Florida, line item 2370, 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 all court-related expenditures of the Clerks of the Circuit Court pursuant to sections (ss.) 28.35 and 29.008, Florida Statutes (F.S.), during the quarter April 1, 2021 to June 30, 2021.

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 law¹ 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 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 court-related expenditures were in compliance with ss. 28.35(3) and 29.008, F.S.
- Evaluate whether court-related expenditures were properly authorized, recorded, and supported.
- 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.

AUDIT FINDINGS

The Department completed three (3) audits during this quarter. Below is a summary of the observations associated with these audits. The audit reports can be found on the DFS Website at: <http://www.myfloridacfo.com/Division/AA/AuditsReviews/default.htm>.

¹Sections 28.35(3) and 29.008, Florida Statutes.

OBSERVATIONS	
Unallowable Expenditures	County
1. Thermography inspection (\$1,345)	Highlands
2. Cake for a retirement party (\$84)	Highlands
3. Paper products and supplies for personnel use (\$27)	Highlands
4. Training not related to employee's job duties (\$1,250)	Okaloosa
5. Lease of copiers, printers, and scanners (\$1,719)	Okaloosa
6. Etching for lobby and self-help center (\$154)	Okaloosa
Financial Reporting and Recording	County
1. No documented methodology for the allocation of payroll or administrative expenditures.	Glades, Highlands
2. Inconsistent use of the expenditure account codes specified in the <u>Uniform Accounting System Manual</u> .	Glades

For more information on the above counties, see the completed reports at:
<http://www.myfloridacfo.com/Division/AA/AuditsReviews/default.htm>

ACTIVITIES FOR THE REPORTING PERIOD

In addition to completing the Glades, Highlands, and Okaloosa audits, the Department completed a desk audit for Jefferson, Pasco, and Putnam Counties with the draft reports in progress. The Department also initiated the follow-up audit review of Walton, Franklin, Madison, Marion, Hamilton, Gulf, and Collier Counties.

PLANNED ACTIVITIES FOR THE NEXT REPORTING PERIOD

The Department will finalize the report for Jefferson, Pasco, and Putnam Counties. The Department is planning to conduct a desk audit for Desoto county and desk follow-up audits for Indian River, Polk, and Brevard Counties in the next quarter.