



**DIVISION OF INSPECTOR GENERAL  
Grant Maloy, Clerk of the Circuit Court and Comptroller  
Seminole County, Florida**

December 28, 2020

To: The Honorable Grant Maloy, Clerk of the Circuit Court and Comptroller

We have completed the enclosed review of the Clerk's CJC Customer Service Department. Management responses are also included within the report. We would like to acknowledge the Clerk's Staff especially Clerk's Purchasing, Compliance, and CJC Customer Service for their assistance with this review.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "William Carroll".

William Carroll, CPA, CFE, CIGA, CIG  
Inspector General  
Division of the Inspector General

Approved by:

A handwritten signature in black ink, appearing to read "Grant Maloy".

Honorable Grant Maloy  
Clerk of the Circuit Court and Comptroller  
Seminole County



Special Review Report No. 111720  
Unannounced Audit  
Clerk's CJC Customer Service Department

**GRANT MALOY**  
**CLERK OF THE CIRCUIT COURT AND COMPTROLLER**

William Carroll, CPA, CFE, CIG, CIGA  
Inspector General

Auditor Assigned:  
Viola Saine, CPA, MAFM, CIGA

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## *Background*

The Clerk’s technology business plan for 2018/2019 included installing a new cashiering system (known as Athena) for all office locations that accept payments.

We observed how each cashier collects money, posts to the cashiering system and reconciles deposits. We also physically traced the transaction details from each cashier to the daily reconciliation, the bank and finally to Clerk’s financial accounting records. We also observed the process used to balance and reconcile the various accounts. Finally, to evaluate the adequacy of the internal administrative controls, we asked each deputy clerk to complete an internal control questionnaire.

This office collects payments for traffic fines, animal citations, criminal cases, marriage license applications and other fees. It also processes online payments received. From February 2020 to October 2020, on a daily basis, the department collects revenue roughly about \$38,000. This consists of \$23,000 (60%) in online payments, \$3,000 (8%) in credit and debit card payments and \$12,000 (32%) in cash and all types of checks. The department’s average monthly revenue collection is about \$806,300. The monthly collections are illustrated below.

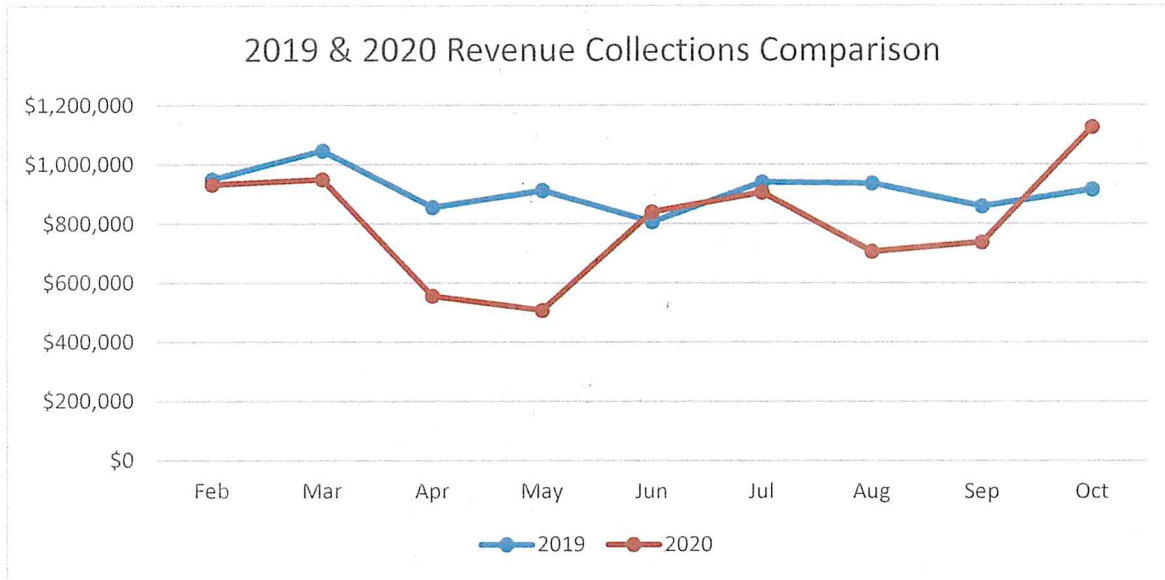
<b>CJC Customer Service Department</b>				
<b>Monthly Revenue Collections</b>				
<b>For the period of February 2020 to October 2020</b>				
<b>Month</b>	<b>Online<sup>1</sup></b>	<b>Cards<sup>2</sup></b>	<b>Cash<sup>3</sup></b>	<b>Total Collections</b>
Feb-20	\$470,627.00	\$141,757.00	\$319,296.00	\$931,680.00
Mar-20	\$544,796.00	\$111,944.00	\$292,580.00	\$949,320.00
Apr-20	\$465,323.00	\$32.00	\$90,280.00	\$555,635.00
May-20	\$369,068.00	\$17,705.00	\$120,359.00	\$507,132.00
Jun-20	\$553,117.00	\$71,829.00	\$214,277.00	\$839,223.00
Jul-20	\$578,763.00	\$73,567.00	\$253,258.00	\$905,588.00
Aug-20	\$440,919.00	\$59,520.00	\$206,201.00	\$706,640.00
Sep-20	\$424,773.00	\$76,143.00	\$236,403.00	\$737,319.00
Oct-20	\$460,933.00	\$90,308.00	\$573,279.00	\$1,124,520.00
<b>Total</b>	<b>\$4,308,319.00</b>	<b>\$642,805.00</b>	<b>\$2,305,933.00</b>	<b>\$7,257,057.00</b>

<sup>1</sup> Payments received from Clerk’s website.

<sup>2</sup> Payments by debit and credit cards.

<sup>3</sup> Included all types of checks.

Comparing to the same period in 2019, the average daily collection was \$43,000. This consists of about \$20,000 (47%) in online payments, \$7,000 (16%) in credit and debit card payments, and \$16,000 (37%) in cash and all types of checks. The graph and the schedule below illustrate the collections comparison of 2019 and 2020:



<b>CJC Customer Service Department 2019 &amp; 2020 Revenue Collections Comparison</b>			
Month	2019	2020	(Increase) Decrease
Feb	\$949,906	\$931,680	\$18,226
Mar	\$1,046,751	\$949,320	\$97,431
Apr	\$855,347	\$555,635	\$299,712
May	\$912,382	\$507,132	\$405,250
Jun	\$806,740	\$839,223	-\$32,483
Jul	\$940,067	\$905,588	\$34,479
Aug	\$935,873	\$706,640	\$229,233
Sep	\$859,013	\$737,319	\$121,694
Oct	\$915,403	\$1,124,520	-\$209,117
<b>Total</b>	<b>\$8,221,482</b>	<b>\$7,257,057</b>	<b>\$964,425</b>
<b>Ave. Monthly</b>	<b>\$913,500</b>	<b>\$806,300</b>	<b>\$107,200</b>



This means that the CJC Customer Service Department's revenue collections in 2020 on average is down roughly by \$5,000 daily or more or less \$100,000 monthly. Also, more people are using the website online payments which increased from 47% to 60%.

The department's deputy clerks supporting the revenue collection process appear well trained, and committed to exceptional customer service.

The results of this review are included in the report that follows.

## ***Scope and Methodology***

Our objective was to verify that this new system is designed with sufficient controls to ensure that revenue collected is being properly accounted for; and, there are internal administrative controls to ensure compliance with Clerk policies and procedures. Also, to ensure funds are properly safeguarded.

Our procedures included:

- Conducted an independent audit of each cash drawer;
- Interviewed each cashier on the business process being used;
- Reviewed the established controls to record, collect, and to reconcile the drawer;
- Reviewed the duties of the supervisor and process for preparing the deposit;
- Reconciled the daily collections to the Clerk's General Ledger and traced to the bank records;
- Examined revenue collections data from February 2019 to October 2020; and,
- Reviewed the processing of mail.

## ***Overall Evaluation and Conclusion***

It is our opinion that the new cashiering system (Athena) has sufficient controls to ensure that funds received are adequately being accounted for in Clerk's financial records. Also, cashiers and all deputy clerks appear to be competent and committed to exceptional customer service. The division is diligent in timely reconciling and depositing the collections in the next business day.

The followings are opportunities for improvements:

- Revisit internal controls over registered/certified mail;
- Adopt written policies and procedures; and,
- Enhance the process in reassigning customer payments.

## *Opportunities for Improvements*

### 1. Revisit internal controls over registered/certified mail.

We found that citizens often mail in: record requests; proof of insurance and registration; motions; request to Judges; driving school certificates; and, payments by checks, money order and cash.

As mail is received in it is date stamped and scanned into the court case file. We noted that Mail is also received that is either registered or certified. This mail has control numbers and both Purchasing<sup>4</sup> and CJC Customer Service maintain their own control log for tracking purposes.

We compared both logs and found that the logs were not in balance with each other. For example, there were a total of 335 pieces of registered or certified mail processed by Purchasing. 165 (49%) of the 335 certified or registered mail were not on the CJC log for the period of January 1, 2020 to September 30, 2020.

Because the Clerk's Office is located in multiple buildings, there may be opportunities to revisit the control over certified and registered mail. This might include a simple weekly reconciliation to ensure that this type of mail has all been received and scanned into the proper case files.

### **Recommendation**

Revisit the internal controls over registered and certified mail to ensure that correspondence is accounted for in the case files.

### **Management Response**

*The Clerk's Office concurs with the recommendation of the Inspector General's Office and has revisited the controls in place over registered and certified mail. The Clerk's Office is in the process of modifying the process to ensure correspondence is accounted for. The Clerk's Office will finalize and implement procedures by January 31, 2021.*

### 2. Adopt written policies and procedures.

Written departmental policies and procedures can serve as guide and also provide reminders of what is expected from employees. This further promotes operational efficiency, consistency and clarity.

The following topics should be considered: Segregation of duties; Cash handling; Accounting of beginning balance (bank); Notation of the time of pick-up on the deposits receipt book; Independent reconciliation; Promptly depositing cash; Payments from mail and drop box;

<sup>4</sup> Responsible for picking up the mail from Post Office Boxes and the distribution.



Protection of sensitive information; Supervisor's override for cash short or over; Sufficient documentation; Management oversight and review; and, Emergency situations.

Publishing formal policies and procedures ensures strong internal controls over cash collections. And, also serves to prevent mishandling of funds and safeguard against loss.

## Recommendation

Publish written policies and procedures.

## Management Response

*The Clerk's Office concurs with the recommendation of the Inspector General's Office. The Clerk's office is in the process of reviewing and creating internal written policies and procedures to govern internal controls and cash handling to ensure topics such as those identified in this review are addressed. The Clerk's Office will finalize, implement and publish internal written policies and procedures by September 30, 2021.*

### 3. Enhance the process in reassigning customer payments.

We noted occasionally, (i.e. 5 times per month) revenues collected from customers are inadvertently assigned to a wrong case number. This is easily corrected by the cashier reassigning the payment to the proper account.

When reassigning money, there should be a comment added to a user field that fully documents how and where the transaction is being processed. The comment would serve to show where the money was transferred to and/or transferred from.

By documenting transfers in a user field, aids management in reviewing the complete details of what has transpired.

## Recommendation

Department policies when reassigning money include the requirement for a comment in a user field documenting the transaction and where the money was transferred to and/or transferred from.

## Management Response

*The Clerk's Office agrees with the recommendation of the Inspector General's Office. The Clerk's Office is in the process of reviewing department policies to improve existing documentation on transactions to ensure a clear and concise detail. The Clerk's Office will finalize and implement procedures and any required programming by September 30, 2021.*