

**SEMINOLE COUNTY  
LEISURE SERVICES DEPARTMENT  
LIBRARIES**

**FOLLOW UP REVIEW OF  
FINES AND FEES**

**REPORT NO. 020811**

**FEBRUARY 2011**

Prepared by:  
The Office of the  
Clerk of the Circuit Court



**MARYANNE MORSE**  
Clerk of the Circuit Court  
Seminole County

February 8, 2011

The Honorable Brenda Carey,  
Chairman  
The Board of County Commissioners  
Seminole County, Florida  
1101 East First Street  
Sanford, FL 32771

Dear Madam Chairman:

I am very pleased to present you with the attached follow up review of Seminole County Library fines and fees.

Management's responses have been incorporated into the final report. We are pleased to report that management has made significant progress with minimizing outstanding fines by patrons. The corrective actions taken since the initial audit in January 2009 appear to be effective.

I would like to acknowledge the assistance of the county staff for their cooperation and assistance throughout the course of this review. The assistance is deeply appreciated. With warmest personal regards, I am

Most cordially,

Maryanne Morse  
Clerk of the Circuit Court  
Seminole County

## DISTRIBUTION LIST

### BOARD OF COUNTY COMMISSIONERS

Ms. Brenda Carey  
Mr. Bob Dallari  
Mr. Carlton Henley  
Mr. John Horan  
Mr. Dick Van Der Weide

### COUNTY MANAGER'S OFFICE

Mr. Joseph A. Forte

### LEISURE SERVICES DEPARTMENT

Mr. Joseph Abel

### BOARD OF COUNTY COMMISSION RECORDS

Ms. Jane Spencer

Prepared by:  
The Office of the  
Clerk of the Circuit Court

**FOLLOW UP REVIEW OF FINES AND FEES  
TABLE OF CONTENTS  
REPORT NO. 020811**

**Transmittal letter**

Purpose..... 1  
Background..... 1  
Overall Evaluation..... 1

**Findings and Recommendations**

**1. Parents are not financially liable for their minor children**  
    Recommendation..... 3  
    Management Response..... 3

**SEMINOLE COUNTY  
DEPARTMENT OF LIBRARY SERVICES  
SEMINOLE COUNTY PUBLIC LIBRARIES**

**FOLLOW UP REVIEW OF FINES AND FEES**

The Office of the Clerk of the Circuit Court has completed a follow up review of the Limited Review of Fines and Fees (Report No. 010509) published in January 2009.

**PURPOSE**

The follow up review was performed to determine if the recommendations made in the January 2009 report were addressed appropriately and corrective actions taken to resolve findings cited.

**BACKGROUND**

The Department of Library Services is responsible for managing five library facilities throughout Seminole County. The department collected approximately \$247,042 in fees and fines for the fiscal year ending September 30, 2010. This is an increase from \$242,003.58 annually from the initial audit published by the Office of the Clerk of the Circuit Court (Report No. 010509).

The report that follows addresses the corrective action implemented by the Library Services Division.

**SCOPE OF WORK**

We reviewed the current status of the management's corrective action plans and also reviewed the revenue and receivables for fiscal years ending September 30, 2009 and September 30, 2010.

**OVERALL EVALUATION**

The original report published in January 2009 produced two findings. Management concurred with the findings and has largely adopted the recommendations made. The original report, "Limited Review of Fines and Fees" can be accessed on line at [www.seminoleclerk.org/boardinfo/audits/default.shtm](http://www.seminoleclerk.org/boardinfo/audits/default.shtm).

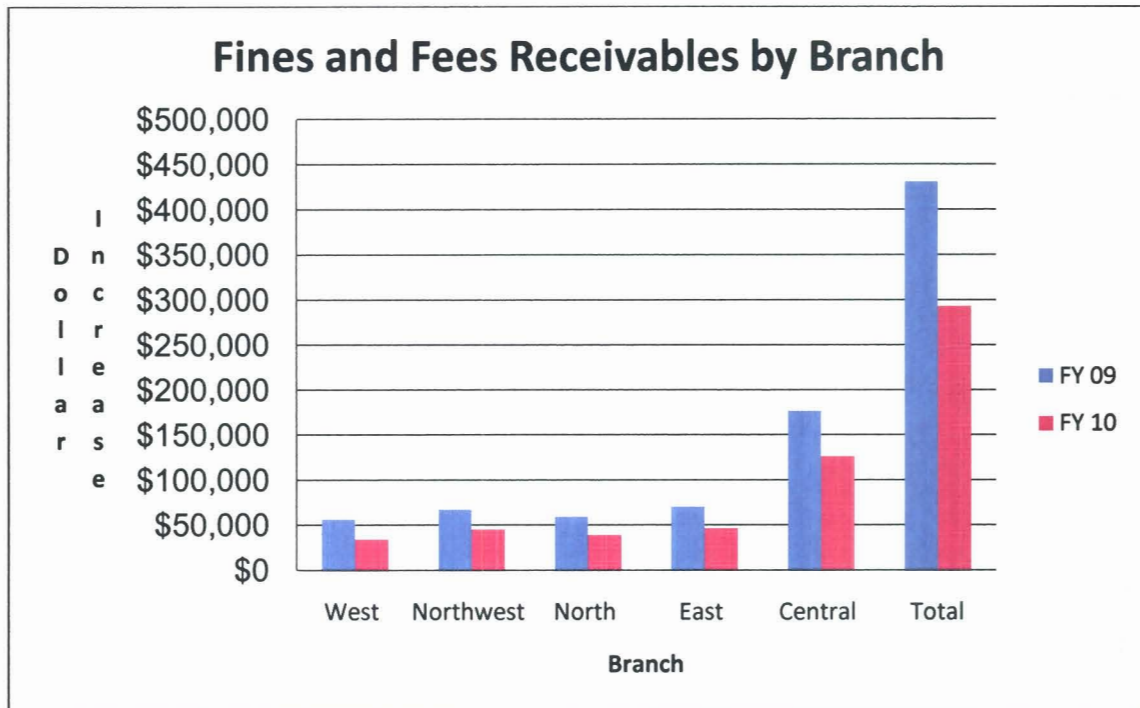
Overall, it is our opinion that significant improvements have been made to control the outstanding balances owed by patrons. Since the initial audit in 2009, policies have been revised and computer systems updated to include parameters that will prevent

Prepared by:  
Internal Audit Division  
Clerk of the Circuit Court



a patron from borrowing additional material and/or have use of the internet until those fees are paid.

Below is a chart showing the benefits being derived by the new policy of preventing a patron from borrowing additional materials if balances are still owed.



The rate of increase in receivables from 2009 to 2010 decreased by 43%.

Collecting balances owed by patrons is still an on-going issue for Seminole County. Although improvements have been made to the process and staff continues to pursue collections, the amount that has been determined to be considered current debt to the county is over \$2.6 million. During the review period \$532,682 was referred to an agency for collection. Of this, \$460,138 was referred in November 2009 in an initial cleanup.

The Office of the Clerk of Court still recommends, as it recommended in 2009, that the Board of County Commissioners (BCC) adopt the policy that "no additional cards be issued for any household that has an outstanding balance. We also still recommend that the division establishes an appropriate accounts receivable aging report that can accurately depict collection history.

Although not material, we believe one issue deserves management's attention.

- *Parents are not financially liable for their minor children.*

This issue is discussed in more detail in the report that follows.

### **FINDING NO. 1**

*Parents are not financially liable for their minor children.*

We compared the dollar value of fines and fees receivable eligible for referral for collection, (\$75.00 and over), to the dollar value of referrals made to the collection agency for months after November 2009. Approximately 73% of eligible accounts, by dollar value, were referred for collection. Of the remainder, most were not referred because they were the accounts of minors.

We found 25 accounts which had a balance of \$500.00 or more created after the changes in the computer system were made. The majority of these large balances were created by lost items. We requested further information from the library on the collection status of the 15 largest accounts and found that six of the 15 were not referred for collection because they were accounts of minors.

Current policy requires that a parent present identification and sign the application of a juvenile (17 years or younger). There is no requirement that the parent assume financial liability for the child. Further, children may borrow up to 25 items at a time. This creates a situation where no action can be taken to collect accounts.

#### **Recommendation**

1. The application policy for minors should be changed so that a parent or legal guardian must sign and accept financial responsibility for the child's library card privileges.
2. The maximum number of items that a child may have outstanding at one time should be reduced from 25 to 10.

A policy change will reduce the number of large outstanding balances by establishing legal liability for accounts and limiting loss exposure.

#### **Management Response:**

**Response to #1.** In speaking with the County Manager, he thought that this had been explored before and that for legal reasons it could not be implemented. Therefore, I am going to seek a formal legal opinion on the matter so that we can either move forward with this recommendation or discuss other alternatives, as I

too believe based on the information provided that this should be an area of great concern.

**Response to #2.** I will work with Library Services Staff to implement this recommendation at their earliest convenience and will ask that they monitor the change to measure its impact.