



Report No. 022417
DIVISION OF INSPECTOR GENERAL
Clerk of the Circuit Court and Comptroller
Seminole County, Florida

February 24, 2017

The Honorable Grant Maloy
Clerk of Court and Comptroller
Seminole County

Dear Mr. Maloy:

Attached is a copy of our Special Review of the Transfer of Duty, Custody, and Responsibility from Ms. Maryanne Morse to Mr. Grant Maloy.

The Office of the Inspector General has conducted a review of the transition of duty, custody, and responsibility between Maryanne Morse, retired Seminole County Clerk of Court, and Grant Maloy, the newly elected Seminole County Clerk of Court. The examination included a review of all assets that were under the retired Clerk's control, and that the custody and authority over the assets were transferred to the incoming Clerk as of January 3, 2017.

It was determined from the audit that cash, investments, other assets and financial papers were properly accounted for, and the responsibility and accountability were effectively transferred to Mr. Grant Maloy. The custody of court cases, checks, and other official records were efficiently and effectively transferred from Ms. Maryanne Morse to Mr. Grant Maloy's custody as of January 3, 2017.

Respectfully submitted,

A handwritten signature in cursive script, appearing to read "William Carroll".

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



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GRANT MALOY
Clerk of the Circuit Court and Comptroller
Seminole County, Florida

Introduction

The Office of the Inspector General has conducted a review of the transition of duty, custody, and responsibility between Maryanne Morse, retired Seminole County Clerk of Court, and Grant Maloy, the newly elected Seminole County Clerk of Court. The examination included a review of all assets that were under the retired Clerk's control, and that the custody and authority over the assets were transferred to the incoming Clerk as of January 3, 2017.

The review was performed in accordance with general auditing standards for the professional practice of Internal Auditing. Work paper files are maintained by the Office of the Inspector General, and they contain details supporting the findings, conclusions, and recommendations within this report.

Background

Grant Maloy was elected as Seminole County Clerk of Court in November 2016, and he assumed the office on January 3, 2017. He became accountable and responsible for certain Seminole County assets. Florida Statute 219.05 notes that:

"Whenever a county office is vacated by any officer who carries a depository account carried under this act, the retiring officer shall transfer each of his or her official depository accounts to the incoming officer, and if the retiring officer should fail to do so, the depository shall transfer such account or accounts to the person succeeding to the office, upon his or her written request, and exhibition to the said depository of his or her commission."

Audit Objective

The audit objective was to ensure that the transition of authority, responsibility, and duties between Maryanne Morse and Grant Maloy were appropriately completed and effective as of January 3, 2017.

During the review some issues were discovered as follows:

Conclusion

It was determined that cash, investments and financial papers were properly accounted for, and the responsibility and accountability were effectively transferred to Grant Maloy. The custody of court cases, checks, and other official records were efficiently and effectively transferred from Maryanne Morse to Grant Maloy's custody as of January 3, 2017.

Noted below is the acknowledgement of receipt that the responsibilities, duties, and assets were effectively transferred between incoming and outgoing Clerk.

Outgoing Clerk of Court



Ms. Maryanne Morse

Date 3-15-2017

Incoming Clerk of Court



Mr. Grant Maloy

Date 3-20-17

There are 7 sections of Clerk responsibilities that are addressed in the report that follows:

- A. Clerk of Court Property Records
- B. Clerk of Court Civil and Criminal Evidence
- C. Financial Assets under Custody of Clerk
- D. Petty Cash Funds – Clerk Operations
- E. Petty Cash Funds – County Operations
- F. Last/First Clerk Cases Transfer of Duties
- G. Last Transactions by Clerk/County Finance

A.Clerk of Court Property Records

1. Some capital assets do not have assigned values.

The acquisition, monitoring, and disposition of County owned property is governed by Florida Statute 274 and Chapter 10.400 of the rules of the Auditor General of the State of Florida. Property, in this context, is defined as: “fixtures and other tangible personal property of a non-consumable nature the value of which is \$1,000 or more and the normal expected life of which is 1 year or more.”

Per the rules of Chapter 10.400:

Annual Inventory

“A complete physical inventory of all property must be performed annually and whenever there is a change of custodian. Finance will coordinate with the custodian to schedule inventory. Prior to that date, Finance will provide the custodian with a current property listing so that the custodian can locate the property in preparation for the inventory. During the inventory the Finance auditor will attempt to verify the existence and condition of all property on the listing. Any discrepancies must be resolved in a timely manner.”

On an annual basis, employees from the Office of the Clerk of Circuit Court and Comptroller are responsible for taking a physical inventory of all of the assets on the fixed asset list provided and maintained by the County’s Property Administrator.

There are certain assets that were purchased in September 2016 that are not on the inventory listing. Although the County’s Property Administrator did assign an asset tag number, these assets were not on the inventory list because the cost of the assets had not been reported to the administrator.

These assets are capital assets (i.e. valued at over \$1,000) and need to be properly recorded. There are no internal policies and procedures that address the recordkeeping requirements.

Current Status

County Finance has added the property values to the official fixed asset records and the update to the files should be available no later than February 28, 2017.

Audit Confirmation

The Auditors selected a random sample of 56 of 358 items (15.6%) listed on the official property records maintained by the County Property Administrator and confirmed the physical assistance at the location identified on the property records.

Recommendation

The Office of the Clerk of the Circuit Court and Comptroller should publish internal policies and procedures that address the recordkeeping requirements.

B. Clerk of Court Civil and Criminal Evidence

To assess the controls in place to safeguard court evidence items, Internal Audit conducted inventories of Civil and Criminal Court Evidence and reviewed the internal control procedures.

Civil Court Records Evidence Inventory

Number of Cases: 183

Internal Audit randomly selected a sample of 58 cases (32%) for evidence recorded in the Civil Evidence Records as of 1/26/2017. There was a total of 2 cases with issues or 3%.

It is our opinion, based on this small exception rate, the locker is generally intact and evidence is being accounted for in accordance with state law.

The detailed inventory listing had 111 of 183 (61%) cases that had been closed as of June 30, 2016 or earlier. Thus; only 72 (39%) should be in the evidence locker if the evidence was being timely disposed of and processed.

Criminal Court Records Evidence Inventory

Number of Cases: 1782

Internal Audit randomly selected a sample of 131 cases (7%) for evidence stored, recorded, and accounted for in the Criminal Evidence Locker as of 1/17/17. There were a total of 6 cases (5%) with issues.

Overall, the Clerk of the Circuit Court and Comptroller is in compliance of the law. Evidence is being stored in a secure environment with limited access to only authorized Clerk employees. The current procedures assure the physical preservation and integrity of the evidence. We found there were no material deficiencies in handling, custody and preservation of evidence.

During this limited review, we noted that the total felony population of the evidence on the Criminal Evidence Locker Spreadsheet was 1,538 cases. This includes 233 life cases, 7 insanity, 466 purged cases, 42 old cases, and 790 other felony related cases (open). After reviewing the 790 open cases, we believe that the Locker could be reduced by about 180 (23%) because for these cases there is a Petition and Order for

Disposal on file and the other cases have a date to dispose is 2016 or earlier. By reducing the number of evidence in the locker would make it easier to manage and maintain.

Recommendation

1. Review all of the cases with evidence and verify the status of the disposal dates.
2. Dispose of all cases that have a Petition and Order for Disposal.
3. Reorganize the evidence locker and label/name the shelves or parts with permanent markings.
4. All handguns and firearms should be in one location.
5. Update spreadsheet to reflect the true inventory of evidence locker and labeled location.
6. Evaluate the cost and feasibility of a bar coding inventory system.
7. Schedule a periodic review of all cases to update status to ensure disposal process is operating effectively.

C. Financial Assets Under Custody of Clerk of Court

Financial Assets under the custody of the Clerk of the Circuit Court and Comptroller (Clerk) as of December 31, 2016. These assets were verified by Internal Audit by reconciling to both the investment statements and proper recording to the General Ledger maintained by the Clerk.

County Finance		
	SBA - Fund A	\$212,721,651.50
	Money Market	
	AIM	\$34,940,548.00
	Dreyfus	\$33,297,198.72
	Wells Fargo	\$33,564,482.54
	Cash	
	Wells Fargo	\$141,641,215.35
	Total Funds - County Finance	\$ 456,165,096.11
Clerk's Finance		
	SBA - Florida Prime	\$ 229,557.52
	Wells Fargo	\$1,141,413.96
	Total Funds - Clerk's Finance	\$1,370,971.48
	Total All Funds	\$ 457,536,067.59

D. Petty Cash Funds – Clerk Operations

The funds below were individually counted by the auditors as part of this special review. For the most part, the funds were in balance with the record maintained by Clerk's Finance. There were a few of the funds with some minor variances that have been properly noted by Clerk's Finance.

CLERK'S FINANCE	\$1,100.00
PURCHASING	\$160.00
CIRCUIT CIVIL	\$150.00
COUNTY CIVIL	\$300.00
COLLECTIONS	\$25.00
JUVENILE	\$100.00
COUNTER	\$1,600.00
PROBATE	\$100.00
DOMESTIC RELATIONS	\$400.00
EAST BRANCH	\$500.00
WEST BRANCH	\$500.00
RECORDING	\$800.00
COUNTY FINANCE	\$150.00
COUNTY COMMISSION RECORDS	\$25.00
TOTAL CASH ON HAND	\$5,910.00

E. Petty Cash Funds – County Operations

DEPARTMENT	LOCATION	AMOUNT	PER AUDIT
ELECTIONS	SUPERVISOR OF ELECTION	25.00	25.00
PARKS:	RED BUG	350.00	350.00
	SANLANDO	350.00	350.00
	SOFTBALL COMPLEX	100.00	100.00
	SYLVAN LAKE	300.00	300.00
	NATURAL LANDS/EYNC	150.00	150.00
	SPORTS COMPLEX	350.00	350.00
	PARKS - TOTAL	1,600.00	1,600.00
MUSEUM	MUSEUM OF SEMINOLE	100.00	100.00
LIBRARIES:	ADMIN OFFICE	15.00	15.00
	CENTRAL-CASSELBERRY	320.00	193.00
	EAST-OVIEDO	145.00	142.00
	WEST-LONGWOOD	145.00	142.00
	NORTHWEST-LAKE MARY	145.00	142.00
	NORTH-SANFORD	145.00	142.00
	LIBRARIES TOTAL	915.00	776.00
EXTENSION & 4H	W COUNTY HOME ROAD	50.00	50.00
ANIMAL SERV.	ESLINGER WAY	300.00	250.00
BUILDING	COM. SERVICES BLDG.	600.00	650.00
ENVIRONMENT.	REFLECTIONS PLAZA	650.00	650.00
SOLID WASTE:	CENTRAL STATION	1,000.00	1,000.00
	COUNTY LANDFILL	1,000.00	1,000.00
	TOTAL	2,000.00	2,000.00
GRAND TOTAL		\$ 6,240.00	\$ 6,101.00

F. Last/First Clerk Case Transfer of Duties

Noted below are the last cases under the management of Maryanne Morse and the first cases assigned to Grant Maloy.

Criminal	Maryanne Morse (Last Case Filed)	Grant Maloy (First Case Filed)
Criminal Felony	2016CF3820A	2017CF1A
Criminal Misdemeanor	2016MM10957A	2017MM1A
Civil		
Civil Domestic	16DR4981	17DR1
Circuit Civil	16CA3	17CA4
County Civil	16CC1871	17CC1
Small Claims	16SC5181	17SC1
<i>Probate Related</i>		
Mental Health	16MH3001	17MH2
Guardianship	16GA2980	17GA57
Probate	16CP2999	17CP1

G. Last Transaction Numbers by Clerk/County Finance

Clerk's Finance	
Purchase Order No.	1346
Accts Payable Check	605216
Payroll Check	10141
County Finance	
Payroll	151499
Accts Payable	839068