

JEFFREY R. SMITH, CPA, CGFO, CGMA

Clerk of Circuit Court & Comptroller
Finance Department
1801 27th Street
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TO: Board of County Commissioners
FROM: Edward Halsey, Internal Auditor *EH*
THRU: Jeffrey R. Smith, Clerk of the Circuit Court and Comptroller *JRS*
DATE: November 1, 2016

SUBJECT: Internal Audit Division of the Clerk's Office

BACKGROUND

Attached to this memorandum is the fourth annual report recapping the highlights of the Clerk's Internal Audit Division.

RECOMMENDATION

Staff recommends that the Board of County Commissioners accept the attached fourth annual report of the Internal Audit Division.

Indian River County	Approved	Date
Administrator		
County Attorney		
Budget		
Department		
Risk Management		

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Internal Auditor

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I respectfully present this fourth annual report of the Internal Audit Division which was created in the Clerk's Office to carry out internal audit activities for the Clerk's Office and the Board of County Commissioners. The following are highlights of internal audit work done through the period September 30, 2016:

- Audits of guardianship files at the Courthouse done on a continuous on-going basis.
- Internal auditor attended the annual conference of the Florida Tourist Development Tax Association.
- Send Tourist Development Tax letters of inquiry to owners resulting in fifteen owners registering to paying the tax.
- Conducted four tourist development tax audits with an impact of \$14,000. More audits planned.
- Conducted audits of the health insurance fund claims to ensure that the payments were on behalf of eligible participants.
- Sent letters of inquiry to local banks to determine if any unauthorized accounts were established in the name of the Clerk or the Board. None found.
- Continued process of developing Internal Auditor Charter (later to be approved by the Board).
- Monitored leases for compliance and to make sure payments are made (lessee) and payments are received (lessor).
- Monitored grants for compliance and to make sure payments are received.
- Internal auditor passed part one of the three parts of Certified Internal Auditor (CIA) examination. To sit for second part in mid-November.
- Reviewed invoices to make sure discounts are taken.
- Conducted a cursory assurance audit of a contractor.
- Contacted FPL with Confidentiality Agreement to begin the process of auditing FPL's franchise fee.
- Carried forward and monitored the Airbnb signup process, and payments began in October 2016.

In addition, our annual audits include:

- Each Board department; Clerk's Office; Property Appraiser; Tax Collector; Supervisor of Elections; SRA; and Health Department capital assets.
- Surprise change fund (including Clerk's cashing) and petty cash audits.