

Ryan L. Butler

Clerk of Circuit Court & Comptroller
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DATE: December 4, 2025

TO: Ryan L. Butler
Clerk of the Circuit Court and Comptroller

FROM: Edward Halsey
Internal Audit Director

SUBJECT: Internal Audit Division Annual Report

I respectfully present the fiscal year 2025 annual report of the Internal Audit Division which was created in the Clerk of the Circuit Court and Comptroller's (Clerk) office to carry out internal audit activities for the Clerk and the Board of County Commissioners (Board). The following are highlights of internal audit work completed through September 30, 2025:

- Reviewed 152 guardianships filed at the Courthouse.
- Audited two guardianships.
- Sent tourist development tax letters of inquiry to owners resulting in 69 owners registering to pay the tax.
- Performed five tourist tax audits bringing in \$10,581 in tourist tax collections. There was a refund of \$2,099. Desk audits of 19 residential/condo yielded \$11,020 in tourist tax collections. Made an onsite visit to a hotel resulting in two months tax collection in the amount of \$12,309.
- Conducted audits of the health insurance fund claims (including dental and prescription claims) to ensure that the payments were on behalf of eligible participants.
- Conducted surprise change fund counts for the Clerk.
- Examined billing records of a charity jointly supported by the Indian River County Hospital District and the Board of County Commissioners for improper duplication. There was a finding.
- Examined the grants received by the Veteran's Council, which is supported the Board, to determine if there was any billing duplication with its other supporting organizations. None found.
- Reviewed the quarterly investment reports and monthly investment statements prepared by the Chief Deputy Comptroller.
- Reviewed the FRS payment calculation process for both the Board and the Clerk.
- Began review of the City of Vero Beach franchise fees.
- Visited four county owned vacant land properties to assess risk.
- Conducted a review of FPL's franchise fee remittances.
- Completed onsite reviews of two charity programs supported by the Board.
- Monitored the fraud hotline.
- Addressed an anonymous tip regarding the Traffic Division.
- Developed a draft of a moving expense policy.
- Performed monthly audits of MUNIS vendor changes.
- Make recommendations to tighten controls on the fleet fueling process.
- Completed an audit of the Clerk's PCI Compliance.
- Addressed the Clerk's Information Technology Controls by recommending access controls in the Information Technology processes in the System Access Control section. This was in response to the External Auditor's Comments and Recommendations.
- Gathered materials for and reviewed the Clerk's Purchasing Policy.
- Completed an audit of custodial services worker thefts.
- Completed an audit of the County Administrator's progressive pay increases.
- Completed an audit of the Building Division's operations.

- Conducted risk assessments of grant subrecipients.
- Conducted a search for fictitious vendors by matching vendor and employee addresses of the Clerk. None found.
- 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.
- Reviewed the Clerk quarterly CCOC reports.
- Reviewed the Clerk travel vouchers and spot checked the Board travel vouchers.
- Reviewed the Clerk's payroll changes for completeness.
- Reviewed annual reports and meeting agendas of Career Source.
- Reviewed monthly the Emergency Services fuel purchases.
- Had a conversation with County Administrator about internal controls on contract change orders.
- Monitored indigent burial costs.
- Monitored construction retainage account balances.
- Reviewed the fiscal year 2023/2024 Annual Comprehensive Financial Report.
- Scanned the Board's general ledger accounts across all funds to detect irregularities. None found.
- Scanned the Clerk's general ledger accounts across all funds to detect irregularities. None found.
- Reviewed the Board's purchasing card transactions.
- Reviewed the Comptroller Division's internal control processes of the Board.
- Completed the DAVID Attestation Statement audits for the Supervisor of Elections, the Property Appraiser and the Clerk of the Circuit Court and Comptroller.
- Sent letters to department heads and constitutional officers as part of the annual audit plan development process.
- Developed an entity-wide risk assessment and audit plan for the Board.

As part of the routine Comptroller Division responsibilities, the internal audit activities performed include:

- 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 reimbursements are received.
- Reviewed invoices to make sure discounts are taken.
- Completed annual audits of the capital assets of each Board department; Clerk; Property Appraiser; Tax Collector; Supervisor of Elections; SRA; and Health Department

Training/Certification:

- Received training on internal audit provided by the Florida Court Clerks and Comptrollers.
- Attended the annual conference of the Florida Tourist Development Tax Association. Received Certified Tourist Tax Official certificate.
- Received training on the new Global Internal Audit Standards from the Institute of Internal Auditors.
- Joined the Florida Chief Audit Executive Roundtable and attended virtual meetings.