

# JEFFREY R. SMITH, CPA, CGFO, CGMA

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**DATE: December 3, 2021**

**TO: Jeffrey R. Smith, CPA, CGFO, CGMA  
Clerk of the Circuit Court and Comptroller**

**FROM: Edward Halsey, CPA, CGFO, CIA  
Internal Audit Director**

**SUBJECT: Internal Audit Division Annual Report**

I respectfully present the fiscal year 2021 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, 2021:

- Audits of guardianship files at the Courthouse done on a continuous on-going basis.
- Sent tourist development tax letters of inquiry to owners resulting in 23 owners registering to pay the tax.
- Performed four tourist tax audits bringing in \$21,288 in tourist tax collections. Desk audits of seven residential/condo and a hotel yielded \$4,860 in tourist tax collections. Filed one lien on a hotel in the amount of \$11,691.
- Conducted audits of the health insurance fund claims (including RX Benefits) to ensure that the payments were on behalf of eligible participants.
- Conducted surprise change fund and petty cash counts at all Board and Clerk locations.
- Reviewed the invoices for payments to the Board funded non-profits.
- Reviewed invoices for payments pursuant to the CARES Act and the American Rescue Plan Act (ARPA).
- Continued work on establishing audit criteria for Children's Services and other charities.
- Reviewed the quarterly investment reports prepared by the Finance Director.
- Conducted a review of FPL's franchise fee.
- Did onsite reviews of two charities supported by the Board.
- Did a review of the Section 8 Housing focusing on Port In payments.
- Did a review of the Contract Bidding (Procurement) using sampling.
- Did onsite book audits at the Main, North County and Brackett Libraries.
- Did an audit of the recreation department referees payments.
- Continued reviewing receipting processes including Utilities water sales.
- Did an internal investigation into the Utilities Operations Center warehouse.
- Did a review of the new MUNIS Workflow process.
- Did monthly audits of MUNIS vendor changes.
- Monitored the Senior Resource Association's Meals on Wheels billings and supporting documentation.
- Conducted risk assessments of grant subrecipients.
- Conducted a search for fictitious vendors by matching vendor and employee addresses of both the Board and 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 Title IVD and other monthly/quarterly reports.
- Reviewed the Clerk travel vouchers and spot checked the Board travel vouchers.

- Spot checked the Emergency Services Fleet inventory.
- Reviewed the Board's payroll changes for completeness on a random basis.
- Reviewed the Clerk's payroll changes for completeness.
- Ongoing monitoring of contractor contingency (force accounts) of contracts and change orders.
- Reviewed annual reports and quality assurance reports of Career Source and attended a board meeting.
- Did ongoing inventory of evidence items in the Clerk vaults.
- Monitored indigent burial costs.
- Scanned the Board's general ledger accounts across all funds to detect irregularities. None found.
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- Reviewed the Board's purchasing card transactions.
- Reviewed Finance Department's internal control processes of the Board.
- Reviewed Clerk's internal control processes including IT.
- Reviewed third party vendors of Board and Clerk for going concern and performance.
- Sent letters to department heads and constitutional officers as part of the Annual Audit Plan development process.
- Got quote for additional penetration testing of the Clerk's computer system.
- Developed an entity wide risk assessment.

As part of the routine Comptroller 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.

In addition, the Clerk annual audits include:

- Each Board department; Clerk; Property Appraiser; Tax Collector; Supervisor of Elections; SRA; and Health Department capital assets.

**Training/Certification:**

- Served as the District 5 Director of the Florida Tourist Development Tax Association (FTDTA).
- Received training at the annual conference of the FTDTA.
- Received training on internal audit provided by the Florida Court Clerks and Comptrollers.