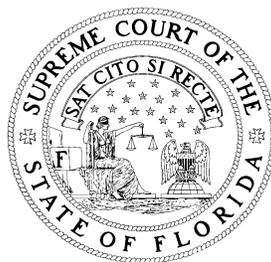


# Florida State Courts System Office of Inspector General



## Annual Report Fiscal Year 2016-17



July 7, 2017

## Inspector General's Message

I am pleased to present the annual report for the Office of Inspector General (OIG). As required by section 20.055(7), Florida Statutes, this report highlights the major activities and accomplishments of the OIG for the 2016-17 state fiscal year.

We completed seven audits and one consulting engagement during the year. The OIG received a clean report on the triannual quality assessment review conducted by the Florida Office of the Auditor General.

We look forward to the upcoming year again committed to helping improve the operation of the State Courts System.



Greg White

## Introduction

The OIG is an integral part of the State Courts System which consists of two levels of appellate courts (the Supreme Court and five district courts of appeal) and two trial court levels (20 circuit and 67 county courts). The Chief Justice presides as the chief administrative officer of the State Courts System.

The Office of the State Courts Administrator (OSCA) was created to serve as the liaison between the court

system and the legislative branch, the executive branch, the auxiliary agencies of the court, and national court research and planning agencies. The OSCA is also responsible for preparing the operating budget for the State Courts System, projecting the need for new judges, and maintaining the uniform case reporting system in order to provide information about activities of the judiciary.

The purpose of the OIG is to provide a central point for coordination of and responsibility for activities that promote accountability, integrity, and efficiency in the State Courts System. The Inspector General is charged with the following duties and responsibilities, while also ensuring that an appropriate balance is maintained between these activities:

- Direct, supervise and coordinate audits, investigations and management reviews relating to administrative and financial operations.
- Conduct or supervise other activities that promote economy and efficiency in the administration of financial operations.
- Keep the Chief Justice informed concerning fraud, abuses and deficiencies relating to administrative and financial operations, and recommend corrective actions.
- Ensure effective coordination and cooperation between the Auditor General, federal auditors, and

other governmental bodies with a view toward avoiding duplication.

## Audits

Providing the State Courts System with internal audits is a critical part of the mission of our office. The audits are planned and carried out in accordance with an annual work plan, which is approved by the Chief Justice. Audits are conducted in accordance with the *International Standards for the Professional Practice of Internal Auditing* published by the Institute of Internal Auditors. In part, these standards require that engagements be performed with proficiency and due professional care, and that staff exhibit an impartial, unbiased attitude and avoid conflicts of interest. Audits are performed to identify, report, and recommend corrective action for control deficiencies or non-compliance with laws, policies and procedures. Additionally, audits are conducted to evaluate and make recommendations to improve the effectiveness and efficiency of administrative functions.

The OIG completed audits of one district court of appeal, and five circuit courts during 2016-17. The objectives of these operational audits were to determine whether: the courts complied with administrative policies and procedures and applicable state statutes; internal controls provided reasonable assurance that assets are safeguarded and financial and operational information is reliable; and, current court operations and processes support management objectives and encourage economical use of resources.

### **Fifth District Court of Appeal:**

Report issued February 22, 2017. The Fifth District Court of Appeal's system of internal controls and procedures were found to be satisfactory and the court generally complied with policies and procedures, as well as applicable state statutes. Our audit did not disclose any material findings.

### **Third Judicial Circuit:**

Report issued June 21, 2017. Internal controls provided reasonable assurance that assets were safeguarded and financial and operational information was reliable. The circuit complied with administrative policies, procedures, and rules as well as applicable statutes. Overall operations supported the goals and objectives of the State Courts System, and management promoted the effective and efficient use of state resources. There were no material findings.

### **Fourth Judicial Circuit:**

Report issued February 3, 2017. Internal controls provided reasonable assurance that assets were safeguarded, and financial and operational information was reliable. The circuit complied with administrative policies, procedures, and rules, as well as applicable statutes. Overall operations supported the goals and objectives of the State Courts System, and management promoted the effective and efficient use of state resources. We provided comments regarding state purchasing card administration and personnel file and timesheet documentation for management's consideration as best practices. Management responded appropriately to the comments.

**Sixth Judicial Circuit:**

Report issued January 6, 2017. Internal controls provided reasonable assurance that assets were safeguarded, and financial and operational information was reliable. The circuit complied with administrative policies, procedures, and rules, as well as applicable statutes. Overall operations supported the goals and objectives of the State Courts System, and management promoted the effective and efficient use of state resources. In addition to completing the normally scheduled operational audit, at the circuit's request, we conducted the Florida Department of Highway Safety and Motor Vehicles' required audit of the use of their driver's license information system. Our audit of the circuit's use of driver's license information provided reasonable assurance that the circuit is in compliance with the data exchange memorandum of understanding.

**Eleventh Judicial Circuit:**

Report issued May 9, 2017. Internal controls provided reasonable assurance that assets were safeguarded, and financial and operational information was reliable. The circuit complied with administrative policies, procedures, and rules, as well as applicable statutes. Overall operations supported the goals and objectives of the State Courts System, and management promoted the effective and efficient use of state resources. We noted that the circuit has developed innovative practices including offering drop-in daycare for children whose parents are involved in the court system. Approximately 3,000 children are supervised at Court Care annually. Court Care is offered at four

courthouses and is operated by the YWCA. Two-thirds of the program costs are county funded and the remainder is paid by donations. In addition to the Court Care program, the circuit is implementing a lactation room project. Currently, five courthouses offer lactation rooms for nursing mothers. When this project is completed, there will be one designated lactation room in each of the ten courthouses.

In addition to completing the normally scheduled operational audit, at the circuit's request, we conducted the Florida Department of Highway Safety and Motor Vehicles' required audit of the use of their driver's license information system. Our audit of the circuit's use of driver's license information provided reasonable assurance that the circuit is in compliance with the data exchange memorandum of understanding.

**Eighteenth Judicial Circuit:**

Report issued September 20, 2016. Internal controls provided reasonable assurance that assets were safeguarded and that financial and operational information was reliable. The circuit complied with administrative policies, procedures, and rules as well as applicable statutes. Overall operations supported the goals and objectives of the State Courts System, and management promoted the effective and efficient use of state resources. The circuit conducted an employee survey in February 2016 which rated staff satisfaction in the areas of career, communications, co-workers, culture, environment and management. This is an example of a best practices tool that has the potential to enhance personnel management in all circuit and appellate courts within the State Courts System.

In addition to the court operational audits, we completed an audit of selected **travel payments**. The report was issued on November 28, 2016. We provided nonmaterial comments recommending, as best practices, strengthened internal controls in processing advance travel payments and increased training for staff who submit travel requests.

#### **Response Coordination and Follow-up:**

The OIG coordinates information requests and responses to findings from audits conducted by the Office of the Auditor General and other external entities. The OIG is also required to report on the status of corrective actions taken regarding external audit recommendations. There were no Auditor General reports regarding the State Courts System issued during the year. There were also no outstanding findings which required follow-up action.

In accordance with professional auditing standards, the OIG also reviews the status of open internal audit findings within six months of the audit report issue date. The courts and Office of the State Courts Administrator have been diligent in addressing our findings and management comments.

## **Consulting Activities**

Providing consulting services is an efficient, effective, and proactive way the OIG can provide analysis and insight into issues that arise. These services include performing management reviews, advising in the development of policies and procedures, collecting and

analyzing data, and assessing the validity and reliability of performance measures.

The OIG completed on March 28, 2017, a validity and reliability assessment of data reported pursuant to selected Supreme Court legislative performance measures. We reported that the performance measures provide valid information, and internal controls provide reasonable assurance that the information used to calculate performance measures is materially reliable for its intended purpose.

## **Investigations**

Investigations by their very nature are reactive rather than proactive. The Inspector General is required to initiate, conduct, supervise and coordinate investigations designed to detect, deter, prevent, and eradicate fraud, waste, mismanagement, misconduct, and other abuses in the State Courts System. The investigations conducted by the OIG are administrative (non-criminal), and generally involve alleged violations of State law or applicable rules and regulations. Any possible violations of criminal law are reported to the appropriate law enforcement agency. Complaints alleging misconduct by judges and attorneys are referred to the Judicial Qualifications Commission and the Florida Bar, respectively.

We received a number of complaints that either did not warrant an investigation, or were outside the jurisdiction of the OIG and thus referred to the appropriate entities for disposition.

## OIG Staff

Greg White, MBA, CIA, CIG,  
CGAP

*Inspector General*

Katie Sanders, BA, CIGA

*Senior Internal Auditor*

(through February 16, 2017)

Jessica Faison, BA, CIGA

*Senior Internal Auditor*

Giovanni Wolmers, BA

*Internal Auditor*

(from May 15, 2017)

**CIA – Certified Internal Auditor**

**CIG – Certified Inspector General**

**CGAP – Cert. Government Auditing  
Professional**

**CIGA – Cert. Inspector General Auditor**

**MBA– Master’s in Business Admin.**

**BA – Bachelor’s Degree**

## Other Activities

During 2016-17, the OIG staff participated in the following organizations:

- ❖ Institute of Internal Auditors
- ❖ Association of Government Accountants
- ❖ Association of Inspectors General

All staff members obtained appropriate continuing professional education as required by statute and professional auditing standards.

During the report period, the Florida Office of the Auditor General conducted

a quality assessment review of the OIG. This review is statutorily required every three years, and examines the OIG for compliance with professional auditing standards and state law. The review found that we were in compliance with auditing standards and applicable state law.

## Upcoming Year

During fiscal year 2017-18, the OIG plans to conduct seven new audits and complete two carry over audits from the 2016-17 plan. We will provide consulting services in support of State Courts System operational priorities and, when necessary, we will investigate complaints related to employees and/or program functions.

## **Mission of the Office of Inspector General**

**To proactively perform engagements designed to add value and improve the programs and operations of the State Courts System.**

### **Contact**

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