

Clerk of the Circuit Court and Comptroller
Regular Public Meeting
April 7, 2015

4. Reports received for filing:

- a. Division of Inspector General, Clerk of the Circuit Court and Comptroller, Report No. 2015-04 dated March 5, 2015 – Follow-Up Audit of Justice and Consumer Services' Justice Coordination Programs.
- b. Division of Inspector General, Clerk of the Circuit Court and Comptroller, Annual Report for the year ended December 31, 2014.
- c. Pinellas Planning Council Basic Financial Statements and Regulatory Reports (annual audit) for the year ended September 30, 2014
- d. Tampa Bay Water Annual Financial Report and Audited Financial Statements for the Fiscal Year ended September 30, 2014.
- e. Dock Fee Report for the month of February 2015.



DIVISION OF INSPECTOR GENERAL

KEN BURKE, CPA

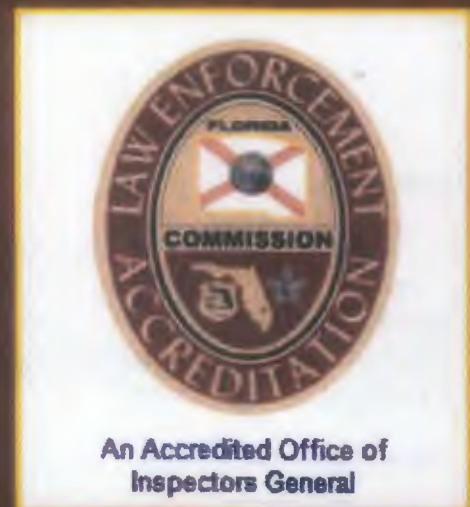
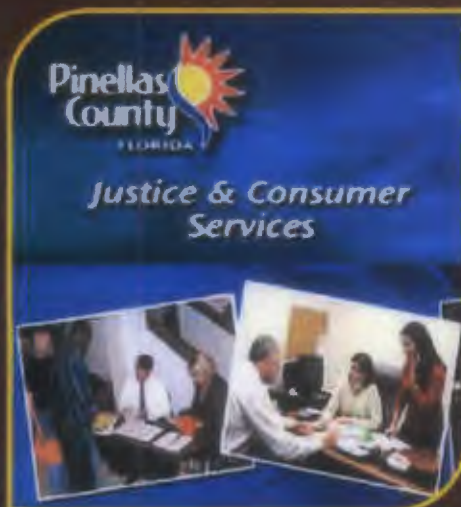
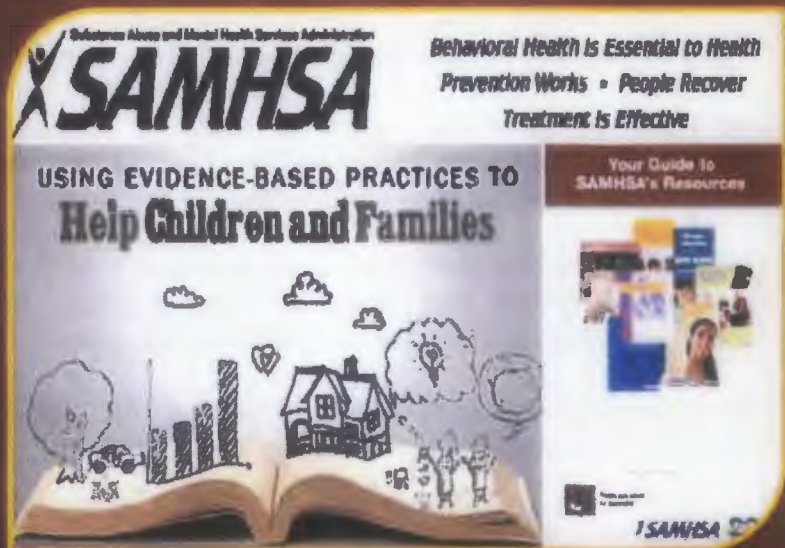
CLERK OF THE CIRCUIT COURT AND COMPTROLLER

PINELLAS COUNTY, FLORIDA

2015 MAR -5 AM 11:00

RECEIVED
BOARD OF
COMMISSIONERS
PINELLAS COUNTY FLORIDA

FOLLOW-UP AUDIT OF JUSTICE AND CONSUMER SERVICES' JUSTICE COORDINATION PROGRAMS



Hector Collazo Jr.
Inspector General/Chief Audit Executive

Audit Team
Ken Green, CIGA – Inspector General Manager
Greg McCullough, CPA, CIA, CFE, CIGA, CIGI – Inspector General Auditor III

MARCH 5, 2015
REPORT NO. 2015-04



Ken Burke, CPA

CLERK OF THE CIRCUIT COURT AND COMPTROLLER
PINELLAS COUNTY, FLORIDA

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County Auditor

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March 5, 2015

The Honorable Chairman and Members of the Board of County Commissioners

We have conducted a Follow-Up Audit of Justice and Consumer Services' Justice Coordination Programs. The objective of our review was to determine the implementation status of our previous recommendations.

Of the three recommendations contained in the audit report, we determined that two have been implemented and one has been partially implemented. The status of each recommendation is presented in this follow-up review.

We appreciate the cooperation shown by the staff of the Department of Justice and Consumer Services during the course of this review.

Respectfully Submitted,

Hector Collazo Jr.
Inspector General/Chief Audit Executive

Approved:

Ken Burke, CPA*
Clerk of the Circuit Court and Comptroller
Ex Officio County Auditor

*Regulated by the State of Florida



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INTRODUCTION

Scope and Methodology

We conducted a follow-up audit of the Justice and Consumer Services' Justice Coordination Programs. The purpose of our follow-up review is to determine the status of previous recommendations for improvement.

The purpose of the original audit was to:

- 1) Determine the efficiency and effectiveness of internal controls for oversight procedures.
- 2) Determine compliance with laws, policies and procedures, inter-local agreements as related to contract management, grant administration, and program oversight.
- 3) Determine if program monitoring adequately reports services provided and benefits obtained.

To determine the current status of our previous recommendations, we surveyed and/or interviewed management to determine the actual actions taken to implement recommendations for improvement. We performed limited testing to verify the process of the recommendations for improvement.

Our follow-up audit was conducted in accordance with the *International Standards for the Professional Practice of Internal Auditing* and the *Principles and Standards for Offices of Inspector General*, and accordingly, included such tests of records and other auditing procedures as we considered necessary in the circumstances. Our follow-up testing was performed during the months of December and January. The original audit period was October 1, 2011 through December 31, 2012. However, transactions and processes reviewed were not limited by the audit period.

Overall Conclusion

Of the three recommendations in the report, we determined that two were implemented, and one was partially implemented. We commend management for implementation of two of our recommendations and continue to encourage management to fully implement the remaining recommendation.

Status

OFI NO.	PREVIOUS RECOMMENDATION	IMPLEMENTATION STATUS				
		Implemented	Acceptable Alternative	Partially Implemented	Not Implemented	No Longer Applicable
1	Additional Internal Controls Are Needed For The Center For Rational Living Reimbursements.					
	<p>Develop a spreadsheet containing all allowable items for stronger and more efficient internal controls. The spreadsheet should contain the following:</p> <ul style="list-style-type: none"> A. Formulas for calculation of appropriate monthly salary and benefit charges. B. Identification of allowable percent to be reimbursed per item. C. Identification of the items that may exceed their monthly estimate. D. A running total by fiscal year for the items that may exceed the monthly estimate with notification when the yearly amount allowed is reached. E. Invoices, receipts or check stubs that include an itemized breakdown of billable products or services. 	✓				
2	Help A Child - S.A.V.E. Agreement Is Confusing And Needs Clarification Regarding Scope Of Services.					

Follow – Up Audit of Justice and Consumer Services' Justice Coordination Programs

OFI NO.	PREVIOUS RECOMMENDATION	IMPLEMENTATION STATUS				
		Implemented	Acceptable Alternative	Partially Implemented	Not Implemented	No Longer Applicable
	Revise Funding Agreements and annual reports to clearly state which victims/survivors the Help A Child - S.A.V.E. program will provide services for. It is unclear if the age range for examinations for victims/survivors of non-caregiver assaults begins at the age of 13 or 14, and it is also unclear if examinations are provided for persons over the age of 17 who have been assaulted by their caregiver.	✓				
3	Turning Point Agreement Contains Vague And Conflicting Language Regarding Payment Terms.					
	Revise contract language to clearly state what form of documentation is to be submitted prior to quarterly payments being made. Also, conflict between the date the quarterly payments shall be made and the date that documentation must be submitted should be sorted out. Payment cannot be made on the 1st of the month if documentation is not required until the 15th of the month and must be reviewed prior to payment. Ample time to receive, process, and review documentation should also be taken into consideration when setting a payment date.			✓		

Background



The Department of Justice and Consumer Services was formed through the merging of Justice Coordination and Consumer Protection in 2003.

The department covers four key areas within the justice system including Justice Coordination, Consumer Mediation, Regulatory Service, and Consumer Investigations. Efficient and effective justice system operations are provided while ensuring system access and consumer protection for Pinellas Citizens.

Justice Coordination areas include:

- Performing Policy Analysis and Planning Functions
- Public Safety Contract Management
- Grant Management
- Project Coordination
- Specialty Projects and Analyses

Consumer Protection areas include:

- Mediation of Consumer Complaints
- Investigations of Consumer Fraud
- Regulatory enforcement for Charitable Solicitation, Bingo, Fortune-telling, Price Gouging, Towing, Moving, and Adult Use Ordinances

The Office of Justice Coordination (OJC) provides a high level of research and development expertise. Included is monitoring and evaluation of present and future justice programs, development of Pinellas County initiatives, contract management for over 60 contracts, grant management, internal service for employee background verification, Pinellas County contract due diligence, cremation and autopsy billing, and livescan fingerprint results.

The following is a brief summary of major contracts:

- Help A Child Inc.
Pinellas County's designated Child Protection Team, which provides specialized diagnostic assessments of allegedly abused and neglected children per legislative mandate.
- Gulfcoast Legal Services, Inc.
State mandated county funding for legal aid services for indigent county residents.
- Department of Juvenile Justice
State mandated funding which requires counties to share in the cost for the Florida Department of Juvenile Justice pre-dispositional detention care.
- Westcare Gulfcoast Florida, Inc.
Florida's Turning Point Inebriate Center – Local funding agreement between Westcare Gulfcoast Florida, Inc. and Pinellas County for shelter, substance abuse education, case management, and housing for those in need.
- Data Collaborative
The Pinellas County Data Collaborative was established in the fall of 1999 as a result of Chapter 163.62 Florida Statute, which allowed governmental and certain private agencies to share information. Signatory agencies propose research questions to USF/FMHI for policy making and planning.
- Drug Court Treatment Funding for the Sixth Judicial Circuit
County provides local funding for adult drug court and juvenile diversion programs.
- Guardian Ad Litem Program
State mandated funding which requires counties to share in the cost of the program by providing for space and communications.
- Sixth Judicial Circuit Personnel
The county provides funding for approximately 40 court personnel who report directly to the Chief Judge of the Sixth Circuit as per the Interlocal Agreement enacted in 1996 and continues presently. The Florida Interlocal Cooperation Act of 1969 says, in part, that the County and the Court, by agreement, provide for the obligations of the county and the court created hereby and more fully provide for the rights and duties of county funded court employees.
- Medical Examiner and Forensic Laboratory
The mission of the Medical Examiner's office is to fulfill the needs outlined in F.S. 406 to be of service to families of the deceased and local government agencies.

Follow – Up Audit of Justice and Consumer Services' Justice Coordination Programs

- **Justice System Agreements and Contracts**

The Office of Justice Coordination serves as a conduit to manage federal, state, and local funding initiatives directed towards the justice system. Contracts and agreements cover a variety of grant-related partnerships involving the courts, law enforcement, local providers, and other partners in order to enhance access to effective services and programming. Agreements also include facilitation of contracts and award documents for system stakeholders on behalf of the Board of County Commissioners.

The Department of Justice and Consumer Services' Fiscal Year 2012 Actual Budget was \$8,444,414. This included \$2,647,270 of grant and program funding. The Department's Personnel Summary consisted of 22 permanent full-time positions.

The Fiscal Year 2013 Budget is \$10,652,270, which includes \$3,294,500 for grant and program funding as of May 2013. The Department's Personnel Summary consists of 20 permanent full-time positions and 3 full-time grant worker positions.



STATUS OF RECOMMENDATIONS

This section reports our follow-up on actions taken by management on the Recommendations for Improvement in our original audit of Justice and Consumer Services' Justice Coordination Programs. The recommendations contained herein are those of the original audit, followed by the current status of the recommendations.

1. Additional Internal Controls Are Needed For The Center For Rational Living Reimbursements.

Additional internal controls are needed for billing reconciliation of reimbursements to the Center for Rational Living for services provided for the joint SAMHSA Pinellas County You Can grant. Two areas of reimbursement verification are particularly complicated and require manual calculation:

- a) Payroll and fringe benefits where checks without itemization are provided as documentation.
- b) Operational items that have a monthly estimate, which may be exceeded, provided the yearly allotment is not.

The Rational Living Foundation SAMHSA - CSAT Adult Drug Court budget (grant budget) for Fiscal Years 2013 - 2015 specifies, by category, the products and services for which The Center for Rational Living may request reimbursement. Some items are given a monthly estimate while other items are given a yearly or item limit. The allowable time or charge percent is indicated for each item. The Budget Narrative provides formulas to be applied to the calculation of fringe benefits, cost of living increases, and travel.

The grant budget provides for two full time employees, a counselor and an administrative professional. Each is to be paid at 100% of their stated salaries of \$38,000 and \$14,000 respectively. Copies of cancelled payroll checks are submitted as documentation of payment. The administrative professional, however, is not fully dedicated to the program, and therefore, his check includes payment for duties other than those of the program. A formula to separate his grant salary must be applied manually each month to calculate and verify the amount being submitted for payment and to assure that the yearly total does not exceed \$14,000. The same scenario applies to fringe benefits.

The grant budget also provides for reimbursement of operational items. The monthly estimate for some operational items may be exceeded as long as the yearly reimbursement does not exceed the total annual allotment. For example, in the case of postage, which is estimated at \$10 per month and paid at 50 percent, the yearly allotment is \$60. However, since no reimbursement for October 2012 through January 2013 was requested, the February 2013 request for \$10.92 is allowable as long as the \$60 allotment is not exceeded by the end of the fiscal year. For all items that fit this scenario, the yearly total must be verified each month to assure the yearly allotment is not exceeded. Documentation is often a cash register receipt, which may require reviewing previous records for calculation.

The Center for Rational Living is a small agency that is receiving grant funding through Pinellas County for the first time. This may explain why their billing procedures are not as sophisticated and efficient as they should be.

Calculation of salary and benefit reimbursement is excessively time consuming and prone to mistakes due to the manual effort involved. Invoices or cancelled checks submitted for reimbursement without a documented breakdown of charges, which include products or services not allowable for grant funding, also create an excessive time consuming review and calculation to verify. Invoices for items where the monthly estimates may be exceeded are not clearly documented as such. The grant budget is also unclear as to which items fall into this category. Common sense can be applied to some items, such as rent or salary, but others fall into a gray area, which could lead to misinterpretation.

We recommended Justice and Consumer Services' management:

Develop a spreadsheet containing all allowable items for stronger and more efficient internal controls. The spreadsheet should contain the following:

- A. Formulas for calculation of appropriate monthly salary and benefit charges.
- B. Identification of allowable percent to be reimbursed per item.
- C. Identification of the items that may exceed their monthly estimate.
- D. A running total by fiscal year for the items that may exceed the monthly estimate with notification when the yearly amount allowed is reached.
- E. Invoices, receipts or check stubs that include an itemized breakdown of billable products or services.

Status:

Implemented. Management implemented a spreadsheet process to improve internal controls over reimbursements for this grant.

2. Help A Child - S.A.V.E. Agreement Is Confusing And Needs Clarification Regarding Scope Of Services.

The agreement with Suncoast Center, Inc. for the Help A Child S.A.V.E program is not clear as to whether services are to be provided for:

- a) All sexual assault victims/survivors of age 13 and older,
- b) Victims/survivors between the ages of 13 and 17 whose attacker was not their caregiver, or
- c) All victims/survivors whose attacker was not their caregiver.

Further confusion is created because the discussion section in the memorandum requesting approval of the Agreement states that the S.A.V.E program provides forensic examinations to victims/survivors of sexual assaults who are 14 years of age and older.

S.A.V.E Agreement Requirements Comparison		
Source	Location In Document	Victims/Survivors Must Be
Memo to County Administrator	Discussion Section – 1 st Sentence	14 years of age or older
Funding Agreement	2 nd Whereas Clause	13 years of age or older
Funding Agreement	Scope of Services	Between ages 13-17 and assaulted by non-caregiver
Annual Report provided by Help a Child agency	Population Served Section	1. Between ages 13-17 and assaulted by non-caregiver, or 2. Over the age of 17

The Sexual Assault Victim Examination program, referred to as S.A.V.E., provides forensic examination services to victims/survivors of sexual assault. More specifically, as stated by management, the program limits the service to victims/survivors whose attacker was not their caregiver and where either the attack took place in Pinellas County or the victim/survivor resides in Pinellas County.

In a memorandum dated October 3, 2012 from Tim Burns, Bureau Director, Department of Justice and Consumer Services, to Robert LaSala, County Administrator, the recommendation was made to approve and execute a funding agreement (the Agreement) between Pinellas County and Suncoast Center, Inc. DBA Help A Child.

The first sentence of the DISCUSSION section of this memorandum states:

"S.A.V.E. provides forensic exams to victims/survivors of sexual assaults who are fourteen years of age and older..."

The Agreement was approved and signed by Robert S. LaSala on October 14, 2012. The second WHEREAS clause in the Agreement states:

"WHEREAS, Pinellas County wishes to ensure forensic examination services are provided for victims/survivors of sexual assault ages thirteen (13) and older through the Sexual Assault Victim Examination (S.A.V.E.) program..."

The SCOPE OF SERVICES section of the Agreement states:

"The AGENCY agrees, under the terms and conditions of this Agreement, to provide forensic medical examinations to Pinellas County victims/survivors of sexual assault by a non-caretaker for those victims between the ages of thirteen (13) to seventeen (17), and to provide regular reporting to the COUNTY for purposes of administering and assessing the ongoing program performance."

The Population Served section of the annual reports provided to Pinellas County Justice and Consumer Services by Help A Child agency states:

"The SAVE Team serves victims of sexual assault, between the ages 13-17, that have not been assaulted by their caregiver and reside in or the assault occurred in Pinellas County. The SAVE team provides exams to anyone over the age of 17 that has been sexually assaulted, and that reside or the assault occurred in Pinellas County."

Forensic exams to victims/survivors of sexual assault by their caregivers are funded through sources other than the Department of Justice and Consumer Services. The process of making this distinction may explain why the memorandum requesting approval and execution of the Agreement, the Agreement itself, and the annual reports provided as required in the Agreement contain confusing/conflicting language.

Differences between the scope of services to be provided as stated in the Agreement, and the intent of Pinellas County as stated in the second WHEREAS clause of the Agreement, create confusion and make it impossible to reach program goals while remaining in compliance with the Agreement. Further, it is not clear if statistics provided in the annual report are a measure of performance based on the definition of the population as stated in the annual report or the population agreed to in the scope of service.

We recommended Justice and Consumer Services' management:

Revise Funding Agreements and annual reports to clearly state which victims/survivors the Help A Child - S.A.V.E. program will provide services for. It is unclear if the age range for examinations for victims/survivors of non-caregiver assaults begins at the age of 13 or 14, and it is also unclear if examinations are provided for persons over the age of 17 who have been assaulted by their caregiver.

Status:

Implemented. Management updated the language in the current funding agreement to be consistent.

3. Turning Point Agreement Contains Vague And Conflicting Language Regarding Payment Terms.

The Turning Point Agreement contains vague and conflicting language regarding payment terms. The agreement calls for documentation to be provided prior to payment. However, the word documentation alone is too vague as the agreement refers to two different items that are generally classified as documentation; an invoice and a quarterly report. Management has stated that the invoice is, in fact, the necessary documentation. Also, in the context of its use, the term "within", which is used to describe when documentation must be provided, could mean either 15 days before or after the 1st of December 2012, March 2013, June 2013 and September 2013.

Pinellas County entered into a Funding Agreement (the Agreement) with Westcare Florida, Inc. (Westcare) on September 25, 2012 to operate the Turning Point homeless inebriate receiving facility. Subsection (b) of the COMPENSATION section states:

"Four equal payments shall be made on December 1, 2012, March 1, 2013, June 1, 2013 and September 1, 2013 in an amount not to exceed \$24,332.50 for each payment after receipt of documentation as required in this Agreement."

Subsection (c) states:

"The Agency shall submit, within fifteen (15) business days of the payment dates set out in subsection (b) herein, an invoice to the Department of Justice and Consumer Services, Office of Justice Coordination, for review and authorization to pay. Payment by the County shall be subject to the Local Government Prompt Payment Act."

Subsection (d) states:

"The agency shall submit, within fifteen (15) business days at the end of each quarter, a County Funded Agency Quarterly Report form to the Department of Justice and Consumer Services, Office of Justice Coordination, for monitoring and review of service levels..."

The Agreement uses conflicting language by stating that the invoice must be submitted within fifteen (15) business days of the payment dates. To be in compliance with payment requirements set out in subsection (b), the invoice would need to be received *prior* to payment dates *not within* fifteen (15) business days of the payment dates. It should be noted that for the first three quarters of Fiscal Year 2013, the invoice was received *within* fifteen (15) business

days, but not *prior* to the payment dates. It should also be noted that payments were not made on the first of December, March and June, but on the 20th, 21st and 27th respectively.

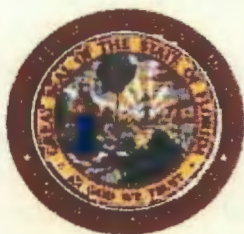
Due to vague and conflicting language surrounding payment requirements, both the County and Westcare are at risk of violating terms and conditions of the agreement. For Fiscal Year 2013, the County did not make payments on the first of December, March or June as required in the Agreement COMPENSATION Section, Subsection (b), but did review and authorize payment after receiving an invoice as required in Subsection (c). Westcare did not submit an invoice prior to payment dates, but did submit the invoice within 15 business days of the payment dates as required in Subsection (c).

We recommended Justice and Consumer Services' management:

Revise contract language to clearly state what form of documentation is to be submitted prior to quarterly payments being made. Also, conflict between the date the quarterly payments shall be made and the date that documentation must be submitted should be sorted out. Payment cannot be made on the first of the month if documentation is not required until the 15th of the month and must be reviewed prior to payment. Ample time to receive, process, and review documentation should also be taken into consideration when setting a payment date.

Status:

Partially Implemented. Management updated some language in the funding agreement, but it did not address the entire recommendation. Management replaced the word "invoice" for "documentation" in one paragraph of the Compensation section of the agreement for the quarterly payment. However, the agreement still contains vague wording for timing of the submission of the invoice from the Agency to the County. Management did not change the wording from submitting the invoice "within" fifteen (15) days of the payment dates set out in the contract to submitting the invoices fifteen (15) days "prior to" the payment dates set out in the contract. We commend Management for implementing part of the recommendation, but we continue to encourage Management to fully implement this recommendation.



DIVISION OF INSPECTOR GENERAL

KEN BURKE, CPA
CLERK OF THE CIRCUIT COURT
& COMPTROLLER
PINELLAS COUNTY, FLORIDA

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