



Internal Audit Review of

Brevard County Clerk of the Circuit Court – Traffic Fines

**Prepared By:
Internal Auditors of Brevard County
October 29, 2002**

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October 29, 2002

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Clerk of the Circuit Court
Brevard County, Florida
Viera, Florida 32940-6699

Pursuant to Task Order 01 dated July 30, 2002, we hereby submit our internal audit report covering the Brevard County Clerk of the Circuit Court - Traffic Fines.

Our report is organized in the following sections:

Background	This provides an overview of the Clerk of the Circuit Court's responsibilities for the Traffic Department and Finance and Accounting Department as they relate to traffic fines.
Objectives and Approach	The internal audit objectives and focus are expanded upon in this section as well as a review of the various phases of our approach.
Issues and Recommended Action	This section gives a description of the issues, the impact and recommended action. Management's response has been incorporated into this section as well.

We would like to thank the Clerk's office as well as the Traffic and Clerk's Finance Departments and all those involved in assisting the Internal Auditors regarding this report on the Traffic Fines. We found the staff of both departments to be eager to provide any information and help necessary for us to complete our audit.

Respectfully submitted,

INTERNAL AUDITORS

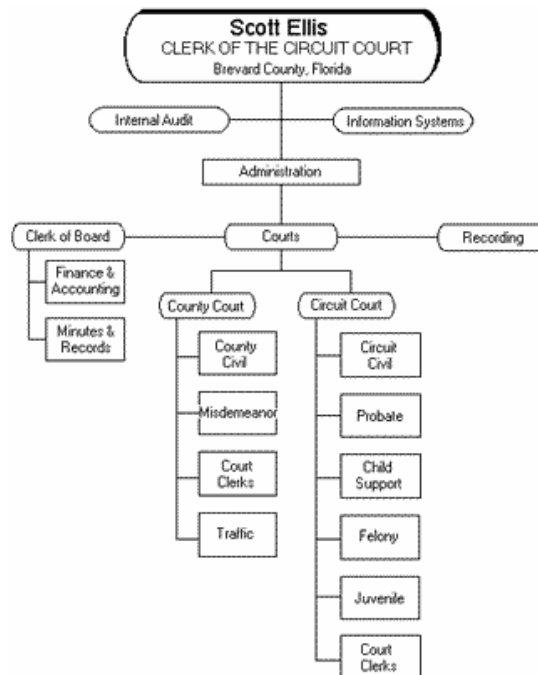
Background

Brevard County Clerk of the Circuit Court

The Brevard County Clerk of the Circuit Court's office is a complex organization that performs a wide range of record keeping, information and financial management for the judicial system, the Board of County Commissioners, and most importantly, the citizens of Brevard County.

The Clerk of the Circuit Court, as an officer of the Brevard County Court system is responsible for maintaining court records with the utmost care and security. These court records include criminal felony and misdemeanor cases, civil, family, probate and small claims proceedings, juvenile cases, and traffic citations.

Below is an organizational chart of the Brevard County Clerk of the Circuit Court ("Clerk"):



Source: <http://www.clerk.co.brevard.fl.us/pages/orgchrt.htm>

The focus of our internal audit was specifically on the accounting and compliance issues related to the Clerk's Traffic Department fines for the period November 19, 1999 to March 22, 2002. The procedures performed were based upon those identified in Task order 01 dated July 30, 2002.

Responsibilities

The Traffic Department's responsibilities include, but are not limited to, the following:

- Process hearing requests
- Prepare correspondence to violators inquiring about money due
- Process driver's license suspensions
- Apply payments from violators in FACTS (defined below)
- Review cases prior to forwarding to collection agencies
- Create and amend fine structure and allocation tables in FACTS
- Update FACTS for action on cases
- Prepare check requests for restitution payments and refunds
- Prepare traffic school noncompliance notices

Background (continued)

Responsibilities (continued)

The Clerk's Finance and Accounting Department's responsibilities related to citations include, but are not limited to, the following:

- Process and balance the daily fee books
- Balance with the amount of monies received daily
- Report any discrepancies with event code allocation to the respective departments
- Print disbursement checks and maintain check registers

Overview of Citation Process

In November 1999, the Clerk of the Circuit Court implemented a new court case management system, Fully Automated CaseTracking System (FACTS), to account for and track traffic fines. The information to be entered into this system begins with each municipality in Brevard County listing on a transmittal sheet all citations issued by them and attaching a duplicate copy of the citation to the transmittal sheet. The County contracts with an external courier to pick up the citations and transmittal sheets from all the municipalities two times per week to ensure that all issued citations are forwarded to the County within five days of their issuance. The courier delivers the transmittal sheets and citations to the file room at the Government Center in Viera. A file room clerk verifies that a physical citation is attached for each citation listed on the transmittal sheet; verification is indicated by a checkmark on the transmittal sheet. After the verification is complete, the citations are forwarded to the Court Supervisor in charge of data entry and the traffic service counter in Viera. The Court Supervisor assigns the citation input duties to data entry clerks located in Viera, who are often students or data entry clerks in other county branch offices if the volume of citations is excessive.

Once a citation is issued by an officer of the law, the violator has 90 calendar days to pay the citation or request a hearing. Florida Statutes 318.14(4) and 322.245(1), respectively, grant a violator 30 days to pay a noncriminal or criminal traffic infraction; however, Administrative Order No. 02-13-B extends the statutory deadline for payment of fines and court costs to 90 calendar days. A violator's failure to respond or to comply within 90 calendar days can result in one or more of the following actions:

- A \$12 late penalty will be added to the original fine amount.
- A \$25 reinstatement fee will be required if the violator's driver's license is suspended for non-payment.
- If the violator elects to attend traffic school and fails to do so timely, points will be added to the violator's driver's license, and additional fees will also be assessed.
- The violator's account will be placed with a collection agency, and a contingency fee of up to 40% will be added to the delinquent amount.

Source: Brevard County Citation Return Envelope. Rev. 07/2001

It is important to note that many times the initially assessed fine is not what is ultimately due. Several infractions have reduced fines under Florida Statutes. For example, Florida Statute 318.14(9) provides for an 18% reduction in civil penalties for specific infractions such as speeding and traffic control device violations, if the violator elects to attend a basic driver improvement course. Additionally, there are several fines that are reduced to \$5 if the violator can subsequently provide proof of compliance. For example, if a violator is charged with failing to provide proof of insurance or registration, the violator is assessed a fine of \$63 for a non-moving violation; however, at the time of fine payment the violator can show a valid insurance card or registration and only have to pay a \$5 dismissal fee. The dismissal fee is retained by the Clerk of the Circuit Court, none is required to be remitted to any other agency or fund.

Background (continued)

Overview of Citation Process (continued)

Violators can pay their fine through the use of the Brevard County citation return envelope or at walk-in locations in Titusville, Viera and Melbourne. In addition, payments may be made via the Internet by utilizing a credit card. Payments made by mail go to a lockbox at a local bank. For all lockbox deposits received, the bank sends an electronic transmission to the Clerk's office, which indicates the payment amounts and the related citation number among other details. After the payments have been received by the bank, and before the payments are applied to the citations in FACTS, the receipts are debited to a general ledger suspense account. A computerized application program is used to apply the receipts detailed in the electronic transmission from the bank to the corresponding citation in FACTS. Payments made at the walk-in locations only go into a general ledger suspense account if the citation has not already been entered into FACTS and the violator did not bring their copy with them or if FACTS is temporarily inoperative.

Within FACTS, allocation tables have been set up to allocate citation cash receipts to the appropriate agencies in compliance with Florida Statutes and Administrative Orders. The tables have been constructed using two levels: the level one agencies are agencies that fines are statutorily mandated to be allocated to first, and level two agencies represent the remaining agencies. In the event of a partial payment on a citation, the level one agencies would receive an allocation first. Once the level one agencies have received their mandated amount, the level two agencies receive their allocations on a pro rata basis. Once the fine has been paid in full, all agencies should receive the proper allocation of funds.

Twice a month, the Clerk's Finance Department disburses the required funds to all entitled agencies. Upon implementation of FACTS, the Clerk's office had several months where the system was not working properly. The Clerk's Finance Department estimated the disbursements based on the receipts six weeks prior to implementation of FACTS. In January 2000, Clerk's Finance disbursed a lump sum to each agency based on their estimates. The Clerk's Finance Department continued to disburse the funds based on those estimates through March 2002. In the event a municipality contacted the Clerk of the Circuit Court or Clerk's Finance with a request for an increase in the disbursement amount, the increase was given. Once FACTS was fully implemented and tested, the Clerk's Finance Department prepared settlement sheets, which compared actual cash receipts received to the estimated disbursements made to the agencies over the 27 month time period. It was determined by the Clerk's office that several municipalities received disbursements in excess of actual cash receipts while other municipalities received less than their actual cash receipts.

The magnitude of the disbursements in excess of actual entitled cash receipts caused several municipalities to question the accuracy of the settlement calculations and the FACTS system. These questions instigated the Clerk of the Circuit Court and the County Manager's office to authorize the internal audit review of the citation process and FACTS.

Citation Statistics for Brevard County, Florida:

Following is a summary of citations issued during the past three years.

	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>Total</u>
Criminal and traffic citations issued in Brevard County, FL:				
Florida Highway Patrol	13,191	5,726	11,997	30,914
City Police	76,504	80,998	79,837	237,339
Sheriff's Office	26,155	28,605	32,099	86,859
Other	55	32	39	126
Total	<u>115,905</u>	<u>115,361</u>	<u>123,972</u>	<u>355,238</u>

Source: Florida Department of Highway Safety and Motor Vehicles

Objectives and Approach

Objectives

The internal audit objectives in the traffic ticket audit area include the following:

<input type="checkbox"/> Determine if the traffic ticket system contains all citations transmitted to Brevard County Clerk of the Circuit Court's office by the municipalities.
<input type="checkbox"/> Determine if the information in FACTS agrees with the information written on the citations.
<input type="checkbox"/> Determine if the allocation tables programmed in FACTS are in compliance with relevant Florida Statutes and Administrative Orders.
<input type="checkbox"/> Determine the level of follow up efforts performed by the Clerk's Office on delinquent citations.
<input type="checkbox"/> Determine the collection ratio for citations issued during the period November 19, 1999 to March 22, 2002.
<input type="checkbox"/> Determine the status of the suspense accounts at August 20, 2002.
<input type="checkbox"/> Determine the accuracy of the settlement amounts for the overpayment or underpayment to individual municipalities in Brevard County during the period November 19, 1999 to March 22, 2002.
<input type="checkbox"/> Determine the current lag time for citation processing.

Approach

Our audit approach consisted of the following four phases:

Understanding and Documentation of Process

During phase one, we held an entrance conference with Jim Giles, Chief Deputy; Aetna Brannen, Court Supervisor of the Traffic Department; Mike McDaniel, Clerk's Finance Accounting Supervisor; Deputy Clerks Andrea Butler and LeAnn Sparks; and Dottie Niehoff, Accountant in Clerk's Finance to discuss the scope and objectives of the audit work, obtain preliminary data, and establish working arrangements. We then met with various members of the traffic department to gain a better understanding of the traffic system and to walk a citation through the system. An audit program was developed based upon our understanding, which was utilized to perform the detailed testing.

Population and Sample Determination

We requested that each municipality in Brevard County provide us with a detailed listing of all citations issued by their law enforcement agency during the period November 19, 1999 to March 22, 2002. We selected our sample of 375, pursuant to the task order, from the detailed listing of citations provided by the municipalities. The sample selected was evenly spread throughout the period November 19, 1999 to March 22, 2002. Individual municipality sample size was based on the ratio of citations issued by municipality to the total citations issued.

Objectives and Approach (continued)

Detailed Testing

The purpose of this phase was the application of tests based on our understanding of the process. Our fieldwork was conducted in the Traffic and Finance Department at the North Brevard Government Complex in Titusville, as well as from remote locations utilizing Internet access. Our procedures included observation and inquiry, walk-throughs, and testing of individual transactions. Our testing included, but was not limited to:

- Reconciling municipality citation counts to the Clerk's Office citation counts
- Examining citations and court documents
- Verification of fee schedules and allocation tables for compliance with Florida Statutes and Administrative Orders
- Examining allocation disbursements
- Recalculating and verifying settlement sheets
- Comparing citation information to FACTS data
- Inquiry and observation of Traffic and Finance Department personnel.

Reporting

At the conclusion of our audit, we summarized our findings related to the internal audit procedures applied to the Clerk of the Circuit Court's Traffic function. We conducted an exit conference with the Chief Deputy and Court Supervisor of the Traffic Department. We have incorporated management's response into our report.

<i>Issue # 1</i>	<i>Allocation Table Errors</i>
	<p>Our review of the allocation tables in FACTS indicated that some of the tables contained errors. The citation allocations to be used are mandated by Florida Statutes. The FACTS system does not have an automatic tracking mechanism to document who adjusted a table or at what date the table was adjusted; however, the clerks do have the ability to manually add documentation regarding the effective date of a table adjustment. The discrepancies we noted during our testing are as follows:</p> <ul style="list-style-type: none"> ❑ An agency was incorrectly added to an allocation table. The agency was added to the table on November 19, 1999 as a level-one agency with a fixed allocation of \$0.25. ❑ The allocation table for seat belt violations for the Town of Indialantic incorrectly identified a level-one agency as a level-two agency. This error caused all level-two agencies to receive a lower percent of the fine than is mandated in Florida Statutes. ❑ The criminal traffic violation table for the Town of Indian Harbour Beach was incorrectly keyed into the table to allocate the funds from criminal traffic fines to the City of Satellite Beach. This error was found by the Clerk's office and corrected prior to the start of the internal audit. <p>No accountability for table adjustments is established; when errors occur, there is no way to determine who entered or changed the allocation table.</p> <p><i>Impact</i></p> <p>The allocation tables drive the final payments to the agencies. If the table is in error, the fine receipts will not be paid to the proper agencies in accordance with Florida Statutes. In the above discrepancies, the City of Palm Bay was underpaid \$127, the Town of Indialantic was underpaid \$79, the Town of Indian Harbour Beach was underpaid \$72,922, and the City of Satellite Beach was overpaid \$72,922.</p> <p><i>Recommended Action</i></p> <p>We recommend the FACTS system be modified to produce an audit trail of all allocation table adjustments and that reports be generated reviewed and approved by the traffic supervisor to ensure the adjustments are accurate. Additionally, we recommend 100% of the current allocation tables be reviewed for compliance with Florida Statutes and Administrative orders and they be corrected as necessary.</p>

<i>Issue # 1</i>	<i>Allocation Table Errors (continued)</i>
	<i>Management Response and Action Plan</i>
Response	<p>Access to these and other code tables are tightly controlled through screen level security. We always recommend this practice. Usually, it is a supervisor or trusted designee that is given the permission levels. A log of approved changes could be maintained off-line, or via a FACTS enhancement. In any event, security is administered by the customer, not by Tiburon.</p> <p>Access to the allocation tables and other code tables should be tightly controlled through screen-level security. This security will be closely maintained in our next version of this software.</p> <p>We reviewed all current allocation tables for compliance with Florida Statutes and Administrative Orders and corrected the few errors detected prior to the internal audit</p>
Time Frame	February, 2003
Person Responsible	

Issue # 2	Software Programming Errors Involving Partial Payments
	<p>It was noted during our cash receipt testing that the FACTS system did not consistently allocate funds to level-one agencies in full before paying amounts to level-two agencies when a partial payment was received from a violator.</p> <p>Impact</p> <p>The system's disregard for the allocation criteria on partial payments caused numerous errors. In some cases, all agencies received a pro rata share of the allocations; as a result, some agencies were overpaid and other agencies were underpaid. In other cases, level-one agencies were not paid in full when the initial partial payment was received; however, when the fine was paid in full, all agencies ended up with the statutorily mandated amount. At this time, the Clerk's office has been unable to determine the number of payments that were impacted by this issue or the dollar value associated with it.</p> <p>Recommended Action</p> <p>We recommend the FACTS software program be modified to utilize the allocation criteria mandated by Florida Statutes when partial payments are received to ensure all agencies receive their entitled funds. In addition, once the program is corrected, the Clerk's office should recalculate and reallocate any amounts due from/to the municipalities.</p>
Management Response and Action Plan	
Response	<p>We agree with the auditor's recommendations. The FACTS software vendor modified the program to utilize the allocation criteria and we are using the corrected software.</p> <p>We are evaluating the extent of any incorrect allocation by rerunning the fee book process with the corrected software. We anticipate that this error will have a minor impact on funds due to each agency.</p>
Time Frame	<p>Implementation of corrected software: Completed November 12, 2002.</p> <p>Recalculation of fee book allocation: Will be completed by the end of February, 2003.</p>
Person Responsible	Data Base Administrator and Accountant, Clerk's Finance, respectively.

<i>Issue # 3</i>	<i>Failure to Suspend Licenses</i>
	<p>Pursuant to Florida Statute 318.15(1)(a), the Clerk of the Court is to notify the Division of Driver Licenses of the Department of Highway Safety and Motor Vehicles of a violator's failure to comply with a civil traffic penalty or to appear at a scheduled hearing within 10 days of the failure. Pursuant to Florida Statute 322.245(1), for criminal traffic violations, the Clerk of the Circuit Court is to mail to the violator, a notice of failure to comply with all the directives of the court within the time allotted by the court, notifying him or her that, if he or she does not comply with the directives of the court within 30 days after the date of the notice and pay a delinquency fee of \$10 to the clerk, his or her driver's license will be suspended. The notice should be mailed no later than 5 days after such failure. Upon receipt of such a notice, the Department of Motor Vehicles is to immediately issue an order suspending the driver's license of such a person effective 20 days after the date the order of suspension is mailed. The \$10 delinquency fee for delinquent criminal traffic violations can be kept by the Clerk's office to defray the operating costs related to this process.</p> <p>Additionally, pursuant to Florida Statute 318.18(8)(a), any person who fails to comply with the court's requirements or who fails to pay civil penalties in the specified period must pay an additional penalty of \$12. Of the \$12 additional penalty, \$2.50 is to be remitted to the Department of Revenue for deposit into the General Revenue Fund, and \$9.50 is to be remitted to the Department of Revenue for deposit in the Highway Safety Operating Trust Fund.</p> <p>In August 2002, the Clerk's office began sending transmissions of license suspensions to the Department of Highway Safety and Motor Vehicles for traffic citations with violation dates prior to December 31, 2001. Some of these citations had been delinquent for more than two years since the Clerk's office failed to perform the statutorily mandated procedures. Due to this delay, no suspensions had occurred for criminal traffic citations or any delinquent citations with a violation date in 2002 as of September, 2002. In the sample tested, 83 citations were delinquent; the County suspended licenses for only 14% of the delinquent citations.</p> <p><i>Impact</i></p> <p>The lack of proper follow up procedures on delinquent citations results in a loss, reduction or delay in the amount of citation revenue collected, which decreases the amount of revenues remitted to the municipalities. One of the purposes of the notice of intent to suspend is to persuade violators with delinquent citations to pay the fine and a delinquency fee within a specific time frame to avoid having one's license suspended.</p> <p>Additionally, the Clerk's office failed to assess late penalties on delinquent civil citations in the time frame required by Florida Statutes, and the Clerk's office did not assess late penalties on the unpaid criminal traffic citations that could be used to defray the Clerk's operating costs.</p> <p>Lastly, as a result of problems encountered with the FACTS system, the Clerk's office is not in compliance with the Florida Statutes and has not fulfilled its delegated duty regarding this matter.</p>

<i>Issue # 3</i>	<i>Failure to Suspend Licenses (continued)</i>
	<p><i>Recommended Action</i></p> <p>We recommend the Clerk’s office continue to work on reducing the backlog of delinquent citations. An additional team member dedicated to follow-up procedures should speed the backlog reduction and provide an avenue for more timely follow up and therefore compliance with Florida statutes in the future. Additionally, we recommend the FACTS system be modified to provide daily delinquency reports indicating the citations that require action.</p>
	<i>Management Response and Action Plan</i>
Response	<p>We agree with the auditor’s recommendations. We have nearly completed processing Civil Traffic Suspensions (Over 47,000 citations). An additional team member will be assigned and dedicated to follow-up procedures.</p> <p>Daily delinquency reports are being provided. We accomplished this without modification of the FACTS software.</p>
Time Frame	<p>Completion of all necessary written reports and suspension of eligible driver’s licenses: By the end of the first quarter of 2003.</p> <p>Additional team member assigned: By January 1, 2003.</p> <p>Daily delinquency reports: Completed.</p>
Person Responsible	The Court Operations Office Manager – Titusville.

<p><i>Issue # 4</i></p>	<p><i>Failure to Comply with County Ordinance Regarding Parking Citations</i></p>
	<p>The majority of the municipalities within Brevard County send parking citations to the Clerk’s office for collection. According to Chapter 106 of the County Code of Ordinances, the Clerk has specific procedures that are to be followed for parking citations. The first procedure requires that upon receipt of a completed parking citation submitted by a deputy sheriff, municipal police officer, or parking enforcement specialist, the Clerk shall notify the registered owner of the vehicle if the citation was not paid within the ten day period indicated on the parking citation. The notification shall be sent by regular mail to inform the registered owner concerning the nature and location of the parking violations and that the owner should pay the parking fine or select a hearing within 14 days from the date of the notice. In the event the violator does not pay the fine or select a hearing within 14 days of the notice, the fine is to be doubled and a notification is to be sent by registered mail.</p> <p>Over the past three years, the Clerk's office has not performed the first procedure, or subsequent procedures, for any county or municipal parking citations.</p> <p><i>Impact</i></p> <p>Failure to comply with the County Ordinance regarding parking citations reduces the amount of citation revenue received. We believe that compliance with the stipulated procedures over the past few years would have increased the in-flow of cash receipts from delinquent parking citations, making the County’s estimated disbursements to the municipalities more equitable with the actual cash receipts received.</p> <p>Additionally, the Clerk’s office is not in compliance with the County Ordinance, and it has not fulfilled its duties required for county and municipal parking violations.</p> <p><i>Recommended Action</i></p> <p>We recommend the Clerk’s office immediately begin sending the initial notices to the registered owners of all delinquent parking citations. The Clerk’s office should then continue with the steps outlined in the County Ordinance, Chapter 106, sections 106-48 and 106-49.</p> <p>Due to the amount of time and effort necessary for the Clerk's office to process the parking tickets, the Clerk's office may also consider requesting municipalities to handle their own collection of parking fines and only send to the County delinquent parking fines.</p>

<i>Issue # 4</i>	<i>Failure to Comply with County Ordinance Regarding Parking Citations (continued)</i>
	<i>Management Response and Action Plan</i>
Response	We agree with the auditor’s recommendation and will comply with the County Code.
Time Frame	Mailing of first notices for all delinquent cases: By the end of the first quarter of 2003. Subsequent notices: Will be mailed within the time frame required by the County Code.
Person Responsible	Traffic Court Supervisor – Titusville.

Issue # 5	<i>Citations Coded to Incorrect Jurisdiction</i>
	<p>Pursuant to Florida Statute 318.21(2)(g), funds should be paid to the agency in charge of the jurisdiction where the violation occurred. When the citations are coded into the system, the data entry clerk enters the jurisdiction that should receive the allocation. It was noted during our jurisdiction and allocation testing that 12 citations in the sample were coded to the incorrect jurisdiction based upon the information on the citation; this error represents 3.2% of the population sampled.</p> <p><i>Impact</i></p> <p>Citations that are coded to the incorrect jurisdiction cause the allocations of the citation receipts to be paid to the wrong agency.</p> <p><i>Recommended Action</i></p> <p>We recommend the Clerk of the Circuit Court communicate with staff members the importance of proper data entry and request that clerks double-check their work to ensure the accuracy of the data in FACTS.</p> <p>We also recommend the Clerk’s office publish monthly jurisdiction reports by municipality on the Clerk’s website so the municipalities have the ability to compare their citations to the citations in the FACTS system to look for inconsistencies. If the municipalities compare this information with their own records and communicate any discrepancies to the Clerk's office, this issue should be alleviated.</p>
<i>Management Response and Action Plan</i>	
Response	<p>We agree with the auditor’s recommendations. We have communicated the importance of proper data entry to our staff and are generating daily error reports to assist our staff in the error correction process.</p> <p>We will place reports of citations on the Clerk’s web site daily for agencies to verify entry of their citations.</p>
Time Frame	<p>Communication of importance of proper data entry: Completed.</p> <p>Generation of daily error reports: Completed.</p> <p>Reports of citations on the web site: By December 31, 2002.</p>
Person Responsible	<p>Traffic Court Supervisor – Titusville and Data Base Administrator, respectively.</p>

<i>Issue # 6</i>	<i>Duplicate Citation Numbers</i>
	<p>All manual citations are individually and sequentially numbered. A duplicate citation number was found in the FACTS system.</p> <p><i>Impact</i></p> <p>Although no monetary impact exists for this issue, data entered into FACTS should be accurate to aid in the reconciliation process.</p> <p><i>Recommended Action</i></p> <p>We recommend the FACTS system be modified to issue a warning to a data entry clerk and an exception report to management to indicate if a citation number has already been used.</p>
	<i>Management Response and Action Plan</i>
Response	We agree with the auditor's recommendation. We advised the FACTS software vendor of this weakness. We expect the weakness to be corrected prior to our planned installation of the new version of the FACTS software.
Time Frame	During January 2003.
Person Responsible	Traffic Court Supervisor – Titusville and Data Base Administrator.

Issue # 7	<i>Event Codes/Statutes in FACTS Different from Information Listed on Citation</i>
	<p>Data entry clerks input the event codes and statute numbers into FACTS that correspond to the Florida Statute and other information noted by the police officer on the citation. Five instances (1.3% of the population sampled) were noted during testing where the event code and/or statute in FACTS did not correspond to the Florida Statute and/or the information written by the police officer. In some cases, the police officer failed to write the complete Florida Statute; however, the other information on the citation clearly indicated which statute the officer intended.</p> <p><i>Impact</i></p> <p>In three out of the five errors found, the fine charged, the points assessed against the violator, and the allocations of ticket dollars were not different when the incorrect statute number was entered into FACTS. However, in the other two cases, the event code was entered incorrectly and, as such, the fine assessed and the citation allocations were incorrect as well. As a result of the event code error, the City of Melbourne was underpaid \$57.86. Data entered into FACTS needs to be accurate to ensure proper allocation of dollars to agencies and to ensure that the violator is assessed the appropriate fine amount and points.</p> <p><i>Recommended Action</i></p> <p>We recommend the data entry clerks review the citation to ensure that the event code and statute entered into FACTS is identical to the information on the citation. In addition, as mentioned in Issue #5 municipalities may now be able to verify the accuracy of the data input into FACTS by reviewing reports and data on the Clerk of the Circuit Court's website.</p>
<i>Management Response and Action Plan</i>	
Response	We agree with the auditor's recommendation. We will conduct additional training for clerks entering citations.
Time Frame	Mid-January, 2003.
Person Responsible	Traffic Court Supervisor – Viera.

Issue # 8	<i>Citations Prepared by the Brevard County Sheriff's Office</i>
	<p>The municipalities of Cape Canaveral, Malabar, and Palm Shores do not have their own police departments; these municipalities and unincorporated areas in Brevard County are serviced by the Brevard County Sheriff's Office. When a deputy prepares a citation for a violator, he/she must indicate the jurisdictional area the violation took place in, so funds can be remitted to the proper agency upon payment of the citation. If the "City" field is left blank on the citation, the Clerk's office processes the citation as being written in unincorporated Brevard County. Payment for these citations is remitted to the Board of County Commissioners. Our sample indicated inconsistencies in this process.</p> <p>For Malabar, none of the citations selected for testing listed the municipality name; however, for 27% (or \$225) of the citations that had been paid, funds were remitted to Malabar. For Cape Canaveral, 10% (or \$67) of the citations selected for testing were paid to the City, although the "City" field had been left blank. It is not clear if these funds belong to the City or County. Also for Cape Canaveral, 4% (or \$58) of the citations selected for testing were paid to the Board of County Commissioners although the "City" field had been completed with Cape Canaveral's name; these funds should have been paid to Cape Canaveral.</p> <p>Some confusion exists as to how the deputies should code the citations so the appropriate agency receives payment. Likewise, it appears that the data entry clerks are not clear on when the citation should be coded to the jurisdiction of the Sheriff's Office or the municipality served by the Sheriff's Office.</p> <p><i>Impact</i></p> <p>The Brevard County Board of Commissioners and the municipalities served by the Brevard County Sheriff's Office may receive more or less of the fines than they are entitled to.</p> <p><i>Recommended Action</i></p> <p>We recommend the Sheriff's Office ensure that all deputies are aware of the requirements of Florida Statute 318.21(2)(g) which states funds are to be paid to the jurisdiction where the violation occurred and that citations are to be written accordingly. We also recommend the Clerk's office ensure the data entry clerks review the citations prepared by the Sheriff's Office and input the proper jurisdiction. Some form of formal training in this area may also be helpful.</p>

<i>Issue # 8</i>	<i>Citations Prepared by the Brevard County Sheriff's Office (continued)</i>
	<i>Management Response and Action Plan</i>
Response	<p>We agree with the auditor's recommendations. We will provide a copy of the completed audit report to the Sheriff's Department. The Traffic Court Supervisor – Titusville will meet with the Sheriff's personnel to ensure that the jurisdiction requirement is clearly understood.</p> <p>We will conduct additional training for clerks entering jurisdiction codes.</p> <p>The applicable agencies will be able to use the reports of citations on the Clerk's web site to verify the proper jurisdiction.</p>
Time Frame	<p>We will provide a copy of the audit report to the Sheriff, when it is released. Additional training for data entry clerks will be conducted over the next few months.</p> <p>The reports of citations are now on the Clerk's web site for the use of the applicable agencies.</p>
Person Responsible	Traffic Court Supervisor – Titusville, Traffic Court Supervisor – Viera and Data Base Administrator, respectively.

Issue # 9	Citation Reconciliation
	<p>At our request, the municipalities within Brevard County sent the internal auditors details of the citations that had been issued by those respective municipalities within the period under audit. That information was reconciled with reports prepared by the Clerk’s office, which indicated how many citations were entered in FACTS for each municipality. It was agreed upon with the Clerk’s office that a deviation of 5% or less would be considered acceptable for purposes of our testing, and no further work would be required. The internal audit staff members were careful to remove from the municipalities’ citation counts any voided citations, municipal citations and/or any other citations that are not sent to the Clerk for collection.</p> <p>The only municipality with a deviation in excess of 5% was the Town of Indialantic. The Town of Indialantic’s citation count was 5.64% greater than the Clerk’s office citation count.</p> <p>Impact</p> <p>If a citation does not reach the Clerk’s office, it is not entered into FACTS by the Clerk’s office, or if the citation is coded to an incorrect agency, the municipality that issued the citation will not receive the fine money when it is collected.</p> <p>Recommended Action</p> <p>We recommend the Clerk's office compare the list provided by the Town of Indialantic to its records to try and reduce the discrepancies. Use of the Clerk's website, as noted in a previous comment, may alleviate future problems in this area.</p>
Management Response and Action Plan	
Response	Through research of the FACTS databases, we have determined the Town of Indialantic deviation is 0.19% of the citations. The Clerk’s report did not capture many citations related to criminal offenses.
Time Frame	N/A
Person Responsible	Senior Internal Auditor.

<i>Issue # 10</i>	<i>Suspense Accounts</i>
	<p>At September 30, 2000, the suspense account for unapplied criminal and civil violation cash receipts paid over the counter reached its highest point of \$938,621, since its inception in April 2000. By September 30, 2001, through the efforts of the Clerk's office, this suspense account had been reduced by 56% to \$411,921. Six months later, the suspense account had been reduced by an additional 31% to \$121,769. As of August 20, 2002, this suspense account was only \$60,781, a 94% reduction from its highest point at September 30, 2000. Additionally, 38% of the balance at August 20, 2002 represents cash receipts for July and August 2002, and a total of 50% of the balance represents cash receipts from January 1, 2002 to August 20, 2002.</p> <p><i>Impact</i></p> <p>Suspense funds that are not timely and properly applied to citations can reduce the timely payment to appropriate agencies and may cause the Clerk's office to inappropriately pursue fine collection from violators who have already paid their respective fines.</p> <p><i>Recommended Action</i></p> <p>We recommend the Clerk's office continue their diligent efforts and dedication to apply the funds held in suspense to the appropriate citations in a timely manner in order to keep the balance as low and current as possible.</p>
<i>Management Response and Action Plan</i>	
Response	We agree with the auditor's recommendation. We will continue to diligently apply the funds held in suspense to the appropriate citations.
Time Frame	All eligible suspense disbursements are current.
Person Responsible	Traffic Court Supervisor – Titusville.

<i>Issue # 11</i>	<i>Miscellaneous Input Errors</i>
	<p>We noted the following types of minor input errors in the FACTS system:</p> <ul style="list-style-type: none"> • Filing date per stamp on citation is not correct in FACTS. • Violation date on citation is not correct in FACTS. • Citation is listed on Register of Actions but no penalty or assessment information is shown. • Citation number is entered incorrectly in FACTS. • Violator’s name spelled incorrectly in FACTS. • Violator’s name was entirely wrong in FACTS. • Charges were dismissed per court docket but information was not recorded on the Register of Actions in FACTS. • Statute number not recorded in FACTS. • Citation number not entered in FACTS; only case number entered. <p><i>Impact</i></p> <p>Although no monetary errors occurred from the types of errors listed above, data entered into FACTS should be accurate to ascertain the following:</p> <ul style="list-style-type: none"> • Ease of application of cash receipts to the correct citation. • Facilitation of written and verbal communication with violators, when necessary. • Facilitation of license suspension, when necessary. • Support for municipalities who perform their own citation reconciliations. <p><i>Recommended Action</i></p> <p>We recommend the Clerk’s office communicate the importance of the accuracy of the data in FACTS and train staff members as considered necessary to ensure the system's accuracy. Additionally, the FACTS system should be modified to provide exception reports that disclose missing data and/or any inconsistencies with the data entered.</p> <p>Additionally, we recommend the Clerk and the municipalities investigate the possibility of using an electronic citation system whereby the deputies prepare the citation in an electronic medium that can be up-loaded into the County system in order to eliminate data entry errors and reduce data entry time.</p>

<i>Issue # 11</i>	<i>Miscellaneous Input Errors (continued)</i>
	<i>Management Response and Action Plan</i>
Response	<p>We agree with the auditor's recommendations. We will continue to communicate the importance of the accuracy of the data in FACTS and continue to train staff members to ensure the system's accuracy.</p> <p>We currently forward daily error reports to the supervisors of the clerks responsible for their correction.</p> <p>Representatives of Florida Highway Patrol recently informed us that electronic citation writers would be installed in all counties by the end of 2003. We have contracted with Identitech to provide an application that scans the bar code on the citation, which should reduce the number of errors related to citation entry</p>
Time Frame	<p>Staff member training: Mid-January, 2003.</p> <p>Error Reports: Completed.</p> <p>Identitech application implementation: Second Quarter 2003.</p>
Person Responsible	<p>Traffic Court Supervisor – Viera, Traffic Court Supervisor – Titusville and Systems Administrator, respectively.</p>

Issue #12	<i>Lack of Written Policies and Procedures</i>
	<p>The Clerk's office does not have a written policies and procedures manual covering the entire citation process. We understand a handbook exists covering the FACTS system.</p> <p><i>Impact</i></p> <p>Without clearly defined procedures, citations may not be processed in the manner desired by management. Additionally, in the event of employee turnover or extended absence, lack of clearly defined procedures may lead to inefficiencies, discrepancies, and potential non-compliance with laws and/or policies.</p> <p><i>Recommended Action</i></p> <p>We recommend the Clerk's office develop a comprehensive written policies and procedures manual. The manual should include all elements of the citation process as well as the process of updating allocation tables and rates. The manual should also clearly define roles and responsibilities as well as indicate what reports are required to be generated, documentation required to be retained and the various approvals required for certain items (such as changes in the rates or allocation codes).</p>
<i>Management Response and Action Plan</i>	
Response	We agree with the auditor's recommendation. We prepare at least three written procedures each month and place them on the "P:\\" drive for review by all clerks.
Time Frame	Spring of 2003.
Person Responsible	Supervisors of each Clerk's department.

Other Matters

Settlement Sheets:

We examined the settlement sheets indicating the over and under payments to the municipalities for accuracy. Our testing showed that the settlement sheets prepared by the Finance Department appear to be complete and accurate based on information provided by FACTS. Discrepancies noted in FACTS that could impact these calculations have been outlined in the Issue Section of this report.

Collection Ratio:

We determined the overall collection ratio was 75% for our sample selected from the period November 19, 1999 to March 22, 2002. To accurately calculate the collection ratio, we removed from our sample all citations where the case had been dismissed by the Court or jail time had been served in lieu of a fine since these citations are not considered to be outstanding or payable.

<u>Municipality</u>	<u>Collection Ratio</u>
Town of Indialantic	83%
City of Cocoa	67%
City of Cocoa Beach	75%
Town of Indian Harbour Beach	60%
City of Palm Bay	71%
City of Melbourne	70%
Town of Melbourne Beach	92%
City of West Melbourne	82%
City of Titusville	64%
City of Cape Canaveral	89%
Town of Palm Shores	91%
Melbourne Village	60%
City of Rockledge	75%
City of Satellite Beach	87%
Town of Malabar	<u>73%</u>
Overall Collection Ratio	75%

Lag Time for Citation Processing:

We were requested to determine the current time lag for citation processing; however, we were unable to make this determination, as the Clerk's office could not provide a computer report with the required data in a timely manner.

Lockbox Suspense Accounts:

Since its inception in November 1999, the Clerk's office has been able to apply more than 99% of the monthly lockbox receipts to the citations payment was made for. The lockbox suspense account balance at August 20, 2002 is \$38,938, of which \$27,401 represents cash receipts from August 2002. Nearly \$20,000 of August cash receipts was received into the lockbox suspense within the seven days prior to August 20, 2002. The lockbox suspense balance at August 20, 2002 is exceptionally high due to the timing of our request to cut off the lockbox detail for our analysis. As of October 2002, only \$368 of the August 2002 lockbox cash receipts has not been applied to the respective citations.

Additionally, no evidence was found indicating that lockbox or counter suspense funds were not appropriately applied to the respective citations.