

# OFFICE OF INSPECTOR GENERAL

Brandon J. Patty  
Clerk of the Circuit Court and County Comptroller  
St. Johns County, Florida

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## THE ANNUAL REPORT

FISCAL YEAR 2021-2022

October 1, 2021 – September 30, 2022

Nilsa Arissa  
Inspector General

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## Inspector General’s Message

I am pleased to present the Fiscal Year 2021-2022 Annual Report covering the activities of the Office of the Inspector General (OIG) for the period October 1, 2021, through September 30, 2022. The report meets the requirements set forth in Florida Statutes Chapter 20 Section 05 (c), stating the OIG must “compile annually comprehensive program budget reporting all program and fiscal matters related to the operation of his or her department, including each program, subprogram, and activity, and other matters as required by law.”

The FY 2021-2022 Annual Report provides a comprehensive snapshot of the OIG’s accomplishments and initiatives.

It has been an eventful year. We conducted 11 audits and provided 51 recommendations enhancing efficiency and promoting accountability within processes. Ten of the 11 audits were included in the FY 2022 Annual Plan, and one was an unplanned Board of County Commissioners (BCC) audit.

The Fraud, Waste and Abuse (FWA) telephone hotline received 24 complaints. Of the 22 complaints reviewed, none have resulted in an investigation. Two complaints carried over into the next fiscal year. In the first quarter of FY 2021-2022, OIG concluded an abuse of power investigation initiated in FY 2020-2021, after which the BCC took disciplinary action. The investigation is on the agenda for review by the State of Florida Commission on Ethics in the first quarter of FY 2022-2023.

Initiatives included continued pursuit of OIG accreditation for investigative services, assuming ownership of all guardianship accounting audits requiring financial oversight and taking the necessary steps to meet requirements for admission to the Statewide Investigative Alliance (SIA).

I extend my appreciation for the support provided to the OIG by the BCC, County Administration, the Clerk of the Circuit Court and County Comptroller (COCC), St. Johns County employees, the Office of the State Attorney, St. Johns County Sheriff’s Office, and St. Johns County residents.

The OIG looks forward to continuing its commitment to promoting accountability and integrity in its services to St. Johns County during Fiscal Year 2022-2023.

Respectfully,



Nilsa Arissa, CIG, CIGI  
Inspector General  
Office of Inspector General

# FISCAL YEAR 2021-2022 EXECUTIVE SUMMARY

## Promoting Efficiency and Accountability



**12 Total Reports Issued**

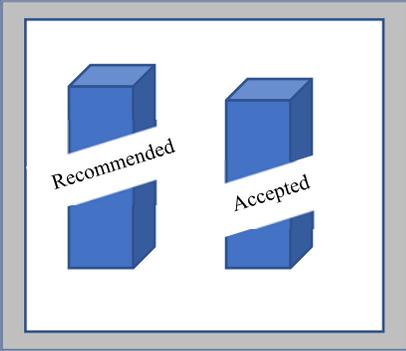
Audit: 6 Reports  
 DAVID: 1 Report  
 TDT: 4 Audit Reports  
 Investigations: 1 Reports \*\*



**51 Total Recommendations to Enhance Efficiency and Accountability**

\* % is based on 50 of 51 recommendations provided and accepted to be implemented within the first quarter of FY 2023.  
 \*\* Report issued in FY 2021-2022

**98%\*** Recommendations Accepted by Management



## Oversight Responsibility



**The Office of Inspector General**  
 Consists of Two Full-Time Employees \*



**1,299 Total Employees Subject to Oversight \*\***



**\$387.8 Million Total Dollars Subject to Oversight\*\***

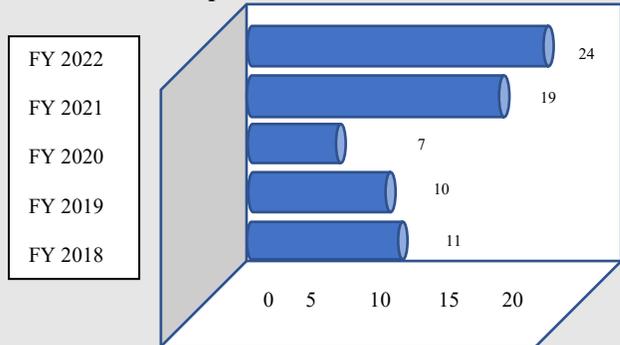


**.07 Cost Per Resident/Per Year for IG Operations \*\***

\* Resource employed seven months. Inspector General employed one full year. Capacity for the year was 1.5 employees. Engaged services of James Moore & Co. for completion of two audits in FY 2021-2022 and Consultant for two months for guardianship audits.  
 \*\* Based on FY 2020-2021 Statistical Information reported in the Comprehensive Annual Financial Report.

## Fraud, Waste and Abuse (FWA) Complaints Received by Fiscal Year (FY)

**Total FWA Complaints Received Each Fiscal Year**



**FY 2021-2022 FWA complaints received:**

- 22 were addressed within the fiscal year.
- 2 under review carried over into FY 2022-2023.

## OIG Mission

**“To provide independent, objective auditing and investigative services that add value, improve County operations and preserve public trust.”**

## Background

Pursuant to the constitutional and statutory provisions cited in Section 1(d), Article VIII, the Florida Constitution provides for the election of certain county officers including a Clerk and states "...the Clerk of the Circuit Court shall be ex officio Clerk of the Board of County Commissioners (BCC), Auditor, Recorder and Custodian of all county funds." As the county's auditor, the St. Johns County Clerk of the Circuit Court and County Comptroller (COCC) established the Office of the Inspector General (OIG) in 2017 via charter to fulfill the responsibilities of the office as they relate to auditing and investigative functions. The OIG reports directly to the Clerk of the Court and County Comptroller.

## Operations

The OIG's responsibilities are comprised of four areas:

### 1. Audit Services

|   |  |
|---|--|
| Planned audits                                  | Projected in Annual Plan                       |
| Unplanned audits                                | Ad hoc management operational audits request   |
| Driver and Vehicle Information Database (DAVID) | Review of users and data access (BCC and COCC) |
| Continuous audits                               | Cash drawer Imprest funds                      |
| Other governmental audits                       | Information Technology (IT) batch data audit   |

### 2. Guardianship Audit and Compliance

|                                      |  |
|--------------------------------------|--|
| Level I - Audit of accountings       | Financial impact; initial, annual, and final accountings |
| Level II - Monitoring of accountings | Non-compliant documentation                              |

### 3. Public Integrity

|                |  |
|----------------|--|
| Investigations | Fraud Waste and Abuse (BCC and COCC)                         |
|                | Ethical  |
|                | Referral to law enforcement for potential criminal impact    |
| Guardianship   | Level III – Cases identified internally with potential fraud |
|                | Statewide Investigative Alliance assistance                  |

### 4. Tourist Development Tax (TDT)

|                   |   |
|-------------------|---|
| Audit of accounts | Account filing for compliance                             |
| Enforcement       | Jeopardy audits for delinquent accounts                   |
|                   | Referral to law enforcement for potential criminal impact |
| Audits of funds   | Earmarked expenditures as mandated by Florida Statutes    |

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## Audit Services

During FY 2021-2022, the OIG conducted a total of 11 audits: five planned, one unplanned, one unannounced, and four TDT audits. The planned audits were COCC Evidence Room and DAVID annual certification, BCC Impact Fees, Community Redevelopment Agency, and Emergency Rental Assistance. Unplanned and unannounced audits were BCC bank identification and COCC cash count, respectively. All audits are conducted to identify, report, and recommend opportunities for improvement and/or corrective action for control deficiencies or non-compliance with policies and procedures, statutes, and regulatory laws. Audits are also conducted to evaluate processes and progress to provide recommendations to improve the effectiveness and efficiency of operations. The OIG performed its audits in conformance to the Institute of Internal Auditor's International Standards for the Professional Practice of Internal Auditing and the Association of Inspectors General Principles and Standards for Offices of Inspector General.

### Evidence Room Audit – Civil and Criminal departments

OIG conducted an audit of the COCC Civil and Criminal operations and controls over evidence. The audit's purpose was to determine whether adequate internal controls exist over the evidence processes; evaluate if existing policies and procedures pertaining to property and evidence are being followed; and compare processes with accepted standards and best practices.

The audit disclosed that the Civil and Criminal evidence processes are generally effective and efficient and related internal controls mitigate risks over evidence handling and storage in a generally satisfactory manner. The OIG identified opportunities for improvement and provided 22 recommendations to COCC management. Responses to recommendations are expected in the first quarter of FY 2022-2023.

### DAVID Audit

To comply with the annual certification requirement, the OIG conducted a limited audit of internal controls over COCC's access and usage of DAVID data provided by the Florida Department of Highway Safety and Motor Vehicles (DHSMV). The audit was required per a Memorandum of Understanding (MOU) between the COCC and DHSMV to determine whether the use of DAVID complied with the terms of the MOU, and whether internal controls were adequate to protect personal data received from DAVID from unauthorized access, distribution, use, modification, or disclosure.

The OIG determined the use of DAVID complied with the terms of the MOU, and internal controls were generally adequate to protect data received from DAVID. As part of the annual certification requirements, a survey was implemented, along with additional procedures providing assurance internal controls, policies, and procedures around data usage, security, and reporting are in place and operating effectively. No exceptions were identified

### Impact Fees Audit

The OIG engaged the services of James Moore & Co., P.L., (James Moore) to provide an internal audit of the St. Johns County impact fee process. The audit reviewed impact fee activity, the workflow process, and validation of sampling of impact fees imposed. This examination ensured appropriate internal controls and safeguards and compliance with policies and procedures within the impact fee calculation process.

James Moore determined procedures and controls over impact fees for St. Johns County are generally adequate. Opportunities existed to enhance the efficiency, effectiveness, and appropriateness of the impact fee processes. James Moore provided 12 recommendations to BCC management with a response expected within the first quarter of FY 2022-2023.

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### Community Redevelopment Agency Audit

The OIG engaged the services of James Moore to provide an internal audit of the CRA Program and three established areas: Flagler Estates, Vilano Beach, and West Augustine. The qualitative analysis included an examination of the plans in addition to role definitions, steering committees, progression of individual CRAs, resolutions and formalized processes for each plan.

James Moore determined procedures and controls over CRAs are generally adequate. However, opportunities existed to enhance the efficiency, effectiveness, and appropriateness of the CRA processes. James Moore provided 12 recommendations to BCC management with a response expected within the first quarter of FY 2022-2023.

### Emergency Rental Assistance Audit

OIG conducted a limited scope audit of the County's Emergency Rental Assistance Program (ERAP.) The audit included a review of internal controls related to the disbursements of Emergency Rental Assistance 1 (ERA1) funding made on behalf of the County. OIG evaluated application requirements and policies and procedures documented to ensure they are being followed and compared processes with accepted standards and best practices.

OIG determined the procedures and controls over the ERA1 processing and disbursements are adequate and effective.

### Bank ID Audit

OIG conducted an unplanned audit of existing bank accounts for the County and the COCC. The primary purpose of the Bank ID audit was to ensure that the appropriate internal controls, safeguards, and policies and procedures are followed, safeguarding county funds under the County and COCC Finance Office. The audit's objective was to determine if all bank accounts for the County and the COCC are authorized and held in qualified public depositories and no unauthorized accounts exist.

OIG determined that all bank accounts for the County and COCC are authorized and held in qualified public depositories.

### Unannounced Cash Drawers and Change Funds Audit

An audit was conducted unannounced for cash drawers and change funds for COCC Customer Service, Recording, and Traffic divisions. The purpose of the audit was to periodically verify the existence and amounts of these funds, to observe the cash collection process, review the physical safeguards for protecting funds at this location and confirm policies and procedures in place are being followed. The OIG identified opportunities for improvement and provided three recommendations to COCC management. Management implemented two of the three recommendations. The OIG intends to conduct a continuous audit of these processes for both the COCC and BCC.

## **Guardianship Audit and Compliance**

As part of the COCC's Guardianship Program oversight and pursuant to Florida Statutes (F.S.) §744, audits are performed on all guardian-submitted accountings to ensure the protection of St. Johns County's vulnerable residents' and wards' assets. In FY 2021-2022, the OIG assumed from the Probate Clerk the responsibility of auditing guardian-submitted accountings for guardianship cases with a financial impact (Level I.) Financial oversight are cases that are identified as a property or plenary case type by the Courts. These cases have a variety of assets requiring oversight and a prescribed reconciliation by either Probate or the OIG. During the compliance check and audit of the filings, OIG identified non-compliant findings in

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accountings (Level II) and worked through a courtesy escalation process with case representatives through resolution. Unresolved non-compliance is monitored to mitigate the risk for potential fraud (Level III).

The guardianship audits are categorized into three levels as described below:

*Level I:* The review of guardianship accountings submitted by the guardian, in conjunction with the supporting documentation to ensure compliance of requirements and timely filing per F.S. §744. If non-compliant, it is identified as a Level II for further review and documentation requests.

*Level II:* An examination of guardianship accountings and documentation identified as non-compliant during the Level I audit. Documentation is reviewed, and limited inquiries for explanations or additional documentation are made to the guardian and attorney of record. Letters are prepared, docketed, and mailed to the guardian. Case is monitored for potential fraud.

*Level III:* A comprehensive examination of guardianship accountings, documentation, and other pertinent information to verify identified potential fraud, assess if an investigation is required, and report to the Statewide Investigative Alliance (SIA).

In FY 2021-2022, the OIG tracked all accountings filed and completed during the year and summarized the total population of case filings processed. Quarterly adjustments were performed to ensure new filing activity was captured timely. As of September 30, 2022, OIG conducted 282 compliance checks and audits of accountings, an increase of 129 over the projected number of cases reported in the prior year. As a result of compliance checks, most cases fell under a Level II category. However, the implementation of a courtesy escalation and resolution process helped clear identified non-compliance cases. Audit results, protected under F.S. §744.30, are docketed in the COCC court repository system, Benchmark, and are available to the Court for review, reference, and any required action.

## Investigations

The OIG initiates, conducts, supervises, and coordinates investigations. They are designed to detect, deter, and prevent potential fraud, waste, and abuse in St. Johns County. Tools designed to facilitate reporting, help protect county resources and programs. These resources include the Fraud, Waste and Abuse telephone hotline, COCC IG website forms, and an OIG open-door policy. The OIG conducts investigations generated from these sources, which typically involve alleged violations of county ordinances, policies, and procedures and/or Florida Statutes. All investigations are assessed for potential criminal impact and are communicated to appropriate law enforcement agencies for criminal review and/or action.

During FY 2021-2022, the OIG received 24 complaints. Two of the complaints were received at the end of the fourth quarter and are being assessed for next steps, with the remainder of complaints addressed and closed within the fiscal year.

During first quarter of FY 2021-2022, the OIG concluded an investigation related to an allegation of abuse of power. OIG provided recommendations to BCC and administrative action was taken. The investigation is on the agenda for review by the State of Florida Commission on Ethics in the first quarter of FY 2022-2023.

Investigations were performed in compliance with the Principles and Standards for Office of Inspector General and The Florida Inspectors General Standards Manual from The Commission for Florida Law Enforcement Accreditation.

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**St. Johns County Tools for Reporting Fraud, Waste and Abuse:**

Telephone Hotline: (886) 272-4351  
Email: [fwa@sjccoc.us](mailto:fwa@sjccoc.us)

COCC Inspector General webpage      Fraud, Waste and Abuse form  
Guardianship fraud form  
TDT fraud form

St. Johns County Public Request      Fraud, Waste and Abuse form  
Inquiry Data Exchange (PRIDE) website      Mail

Information can be provided anonymously and remains confidential.

Providing a point of contact is encouraged to ensure additional necessary information can be obtained during the investigative process.

### **TDT Audits and Enforcement**

OIG conducted four of five planned TDT audits. A secure and virtual audit process was implemented to request, receive, and process tax-related information. OIG concluded no adjustments were necessary on three of the four audits. The fourth audit revealed an exception, penalties and interest were assessed, and payment is expected in the first quarter of FY 2022-2023. OIG has initiated enforcement measures on the fifth audit. In this case, the property was sold during the fiscal year, and information requests have not been satisfied. Communication with the old and new account holders has been started, with a resolution expected in the FY 2022-2023 fiscal year.

### **Consulting**

Management or other external governmental offices may request consulting services from the OIG. Requests can be for a review of an area or process not necessitating a full audit but requiring an analysis or summary, or an agreed-upon arrangement for an audit and attestation.

The OIG and the St. Johns County Sheriff’s Office (SJSO) entered into an agreement in FY 2020-2021 to perform an attestation consulting service for the audit of internal controls and security over the Data Exchange Report. In the OIG’s opinion, existing SJSO internal controls were adequate to protect data from unauthorized access, distribution, use, modification, or disclosure and in compliance with the requirements of the Memorandum of Understanding (MOU) #0507-19. An opportunity for improvement was addressed in FY 2021-2022 fiscal year and an addendum to the attestation dated June 15, 2021, was provided on March 18, 2022.

### **Professional Development**

#### **OIG Staff During FY 2021-2022**

Nilsa Arissa, Certified Inspector General (CIG), Certified Inspector General Investigator (CIGI)  
*Inspector General (IG)*

Allie White  
*Inspector General Auditor (IGA)*

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During FY 2021-2022, OIG staff members received Continuing Professional Education (CPE) and met the requirements of professional auditing and accreditation standards, applicable professional organizations, and OIG policy. The CPE was comprised of in-person, virtual and webinar training and courses, and conferences. Staff also received internal and peer IG office training.

The IG attended the Inspector General Academy and successfully obtained the Certified Inspector General Investigator designation. The IG was elected and accepted the role of Region 3 Director of the Florida Tourist Development Tax Association to support the Tourist Development Tax initiative in FY 2021-2022 and going forward.

The OIG is affiliated with the following associations:

- Association of Inspectors General (AIG) (National and Florida chapters)
- Association of Certified Fraud Examiners (ACFE)
- Commission for Florida Law Enforcement Accreditation (CFA)
- The Commission on Accreditation for Law Enforcement Agencies (CALEA)
- The Florida Police Accreditation Commission, Inc. (FLA-PAC)
- Florida Court Clerks and Comptrollers (FCCC)
- Florida Tourist Development Tax Association (FTDTA)
- Florida Government Finance Officers Association (FGFOA)

The OIG recognizes that the quality and effectiveness of its services are dependent upon a professionally trained staff and allocates resources to ensure appropriate continuing education is achieved. Training and affiliations with related associations are a vital component of OIG departmental growth by providing knowledge, current developments, and best practices, ensuring effective and efficient use of resources for services provided to St. Johns County.

## **Looking Forward**

The OIG Annual Plan sets out the following goals for FY 2022-2023:

- Continue to promote integrity, accountability, and transparency in government while improving the efficiency and effectiveness of operations.
- Execute the planned and continuous audits through the addition of a second auditor role.
- Provide consulting services internally or externally as appropriate.
- Provide oversight to the Guardianship Program through the audit of accountings and monitoring of non-compliance to ensure efficient use of resources across St. Johns County.
- Pursue an alliance with the SIA by providing assistance with jurisdictional information and insight into St. Johns County guardianship cases, while meeting the requirements for admission.
- Continue to review, assess, address and/or investigate complaints related to COCC and County departments, programs, and operations.
- Further develop and strengthen the OIG Public Integrity Unit to offer County investigative services with the professional standards established by the CFA.
- Progress toward the completion of requirements set forth by the CFA to achieve accreditation of OIG investigative services by second quarter FY 2022-2023.

Office of Inspector General  
4010 Lewis Speedway  
St. Augustine, FL 32084  
Phone: (866) 272-4351  
E-Mail: [fwa@stjohnsclerk.com](mailto:fwa@stjohnsclerk.com)  
Website: <https://stjohnsclerk.com/fraud-abuse-waste>