

# OFFICE OF INSPECTOR GENERAL

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

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## FISCAL YEAR 2023 ANNUAL AUDIT PLAN

OCTOBER 1, 2022

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# Message from the Inspector General

I am pleased to submit the St. Johns County Clerk of the Circuit Court and County Comptroller (COCC) Office of Inspector General (OIG) Annual Plan for Fiscal Year (FY) 2023. The annual plan provides an overview of the major initiatives and priorities the OIG will pursue to assist the COCC in fulfilling its responsibilities to St. Johns County and its residents.

The FY 2023 Annual Plan aligns the OIG's work with available resources and identifies planned audits through the results of a risk assessment conducted in September 2022. The risk assessment model was developed to evaluate County operations risks and includes input solicited from the St. Johns County Board of County Commissioners (BCC), the County Administrator and the COCC. The selected FY 2023 audit engagements address major BCC functional areas and include COCC OIG additional areas of audit responsibility, including:

- State of Florida Driver and Vehicle Information Database (DAVID) audit for BCC and COCC.
- Guardianship Level I and II audits.
- Tourist Development Tax (TDT) audits of accounts and earmarked funds.
- Other agency compliance audits.

Reports will be made publicly available following all audits and will include recommendations to BCC and/or COCC management to help strengthen and improve the delivery of public services to St. Johns County residents.

The plan also provides visibility to OIG Public Integrity initiatives, such as investigating fraud, waste and abuse of County resources and protecting vulnerable residents through legal guardianship oversight.


In the area of investigative services, the OIG is actively pursuing accreditation by the Commission for Florida Law Enforcement Accreditation, Inc. (CFA). Attaining CFA accreditation will acknowledge our achievement of the highest standards of professionalism.

Regarding guardianship oversight, the OIG is performing compliance checks to ensure conformance to Florida statutes and Florida Courts requirements and rulings. Audits are conducted under the enhanced review process introduced in FY 2022. In FY 2023, all audits and documentation processing will be performed systemically through the Benchmark Case Management (BMCM) application and retained in a paperless environment. Additionally, the OIG will pursue membership in the Statewide Investigation Alliance (SIA) for Florida guardianships. SIA membership will provide opportunities to better serve St. Johns County's most vulnerable residents.

As St. Johns County continues to flourish, the OIG faces a challenging environment in which we must balance providing services for growing programs and operations with managing additional administrative requirements necessary to achieve accreditation of OIG investigative services. Continued flexibility will enable OIG to address additional priorities and unanticipated challenges as they arise and to respond to changing conditions through regular reassessments of the FY 2023 Annual Plan.

We are committed to the vital work of meeting the needs of St. Johns County residents, achieving our goals, and fulfilling the mission of the Office of the Inspector General.

Respectfully Submitted,



Nilsa Arissa  
Inspector General  
Office of Inspector General



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## **Introduction**

By authority of the Constitution of the State of Florida, Article VIII, Section 1, (d), "...the Clerk of the Circuit Court (Clerk) shall be the ex-officio clerk of the Board of County Commissioners (BCC), auditor, recorder, and custodian of all county funds." The Constitution of the State of Florida, Article V, Section 16, also specifies that the Clerk of the Circuit Court and Comptroller shall have these duties.

The St. Johns County Clerk of the Circuit Court and Comptroller (COCC) established the Office of Inspector General (OIG) to fulfill the responsibilities of investigative services and audit activities. The scope of the OIG's authority includes any operation under the direction of the BCC or the COCC.

## **Audit Services**

By conducting audit services, the OIG seeks to advance governmental accountability and to proactively work with St. Johns County government to identify risks, evaluate controls, and make recommendations that promote economical, efficient, and effective delivery of services. The intent is to protect and enhance organizational value by providing risk-based and objective assurance, advice, and insight. As defined:

*Internal auditing is an independent, objective assurance and consulting activity designed to add value and improve an organization's operations. It helps an organization accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance processes.*

The OIG performs its audit activity in conformance to the Institute of Internal Auditor's (IIA) *International Standards for the Professional Practice of Internal Auditing (Red Book)* and the Association of Inspectors General (AIG) *Principles and Standards for Offices of Inspector General (Green Book)*.

### **Audit Plan Development**

*IIA Standard 2010 – Planning* requires that the internal audit activity establish a risk-based plan at least annually to ensure its priorities are consistent with the organization's (St. Johns County) goals. The OIG is responsible for developing a risk-based plan by consulting with COCC management to discern the organization's strategies, key business objectives, associated risks, and risk management processes. The OIG must review and adjust the plan in response to changes in the organization's business, risks, operations, programs, systems, and controls.

To ensure the most efficient and effective use of OIG staff resources, areas selected for audit are carefully considered and can derive from a variety of sources, including risk assessments, management requests, unannounced audits, and allegations of fraud, waste, and abuse. The OIG also solicited input from the BCC, County Administrator, and COCC management.

Other audits included in the FY 2023 Annual Plan are periodic unannounced audits of cash handling areas and any areas identified through information or tips received through a telephone hotline.

### **Risk Assessment Methodology**

The initial step in developing a risk assessment methodology was to prepare a list of auditable entities. We primarily used the St. Johns County budget to compile a comprehensive list. By using the budget, which includes all operations involving County funds, we have reasonable assurance that all significant County

operations are included in our audit universe. Auditable entities totaled 92 at the BCC and 11 at the COCC for the previous year.

After identifying the auditable entities, OIG assessed the risk associated with each entity based on the risk factors below:

1. Dollar impact
2. Prior audit – years since last audit
3. Complexity of operations
4. Operational impact
5. Public perception

Each risk factor was weighed. Numerical risk scores were assigned to each risk factor for each auditable entity, and a total risk score was calculated. Auditable entities were grouped into high, medium, and low categories based on total risk score. Auditable entities classified as high-risk category were considered for our comprehensive audit plan.

### **Planned Projects**

As a result of this process, the proposed audits for 2023 are below. The order of listing is not necessarily the order in which the projects will be started or completed. Publication of the final reports is documented on [www.stjohnsclerk.com/inspector\\_general](http://www.stjohnsclerk.com/inspector_general), and the publication date may fall outside of the annual audit plan fiscal year.

All audits with recommendations require a post-audit review. The post-audit review process is intended to ensure that management has addressed all recommendations included in the Audit Report. During the review, the Internal Audit team tests the effective implementation of each audit recommendation.

#### *Priority Audits Planned*

Tourist Development Tax Trust (TDT) Fund	Oversight, allocation, and use of TDT trust fund earmarked for four spending categories: destination and marketing, arts and culture management, recreational development, and special events.
Countywide Inventory of Credit Card Processing Fees	Identification of agencies, volume spending, and integration of processes at an entity level.
Information Technology General Controls Audit	Review of security controls over key applications focusing on user access, account management, and certification.
Deed Audit	Internal controls and policies and procedures review over processing of deeds.

#### *Post-Audit Review*

Purchasing Card (P-Card)	Policy and procedures, and issuance and cancellation controls recommendations.
Public Works	Construction contract management process recommendations.
Surveillance Access Control	User access recertification of Complete View Video Client – BCC and COCC accounts.
Evidence Room – Civil and Criminal	Policy and procedures, evidence location, physical inventory timing, and electronic documentation in BMCM.
Impact Fees	Policy and procedures, workflow, and access control.
Community Redevelopment Agency	Policy and procedures, alignment of plan and objectives, and documented election process.

### *Continuous Audits*

Guardianship	Compliance enforcement and audits of guardian inventories and accountings of court-appointed guardianships.
Unannounced Imprest Funds – BCC and COCC	Audits of cash collection procedures and observation of the physical safeguards for protecting funds at each agency.
TDT	Audits of accounts, enforcement of levied TDT, and earmarked expenditures as mandated by Florida Statutes.
DAVID	Independent compliance review for attestation of BCC and annual certification of COCC restricted data.
Other Agency Compliance Audits	Data exchange audit for St. Johns County Sheriff's Office.

## **Public Integrity**

### **Investigations**

The OIG has the primary responsibility for conducting investigations of all agencies funded by the BCC, COCC, and departments and contracting agencies under the County Administrator. Information or anonymous tips from employees, contractors, and members of the public are received and addressed in confidence. Any suspected inappropriate activity is reviewed, assessed, and may be investigated. If the investigation substantiates a fraudulent act may have occurred, OIG notifies the COCC. After consultation with the Clerk, other County officials may be notified. Investigations are 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 (CFA).

To ensure the protection against fraud, waste and abuse of County resources, priority is given to investigative services. As a result, the FY 2023 Annual Plan is subject to change to accommodate unforeseen activities prompting investigations.

In February 2021, the OIG entered into an agreement with the CFA for the accreditation of its investigative services. As part of the agreement, the OIG has a 24-month period to prepare for a formal assessment. All compliance data will be assessed against the specific requirements and prescribed standards of the CFA. The OIG is committing FY 2023 to maintaining the highest standards of professionalism, meeting CFA's requirements, and earning accreditation status by February 2023.

### **Guardianships**

During the review of submissions of inventories and accountings from guardians, the OIG identifies cases that have not complied with the statutory filing requirements, and/or where fraud is suspected, Level II and III respectively. Additional procedures are applied to Level II cases and are closed out. Level III cases are reviewed and assessed, and an investigation is opened if applicable.

The Office of Professional and Public Guardians (OPPG), within the Florida Department of Elder Affairs, is required to investigate allegations of suspected wrongdoing perpetrated by public and professional guardians. Through a memorandum of understanding, the OPPG and six IG Offices formed a Statewide Investigation Alliance (SIA) to perform these investigations. The St. Johns County OIG began the necessary steps to meet the requirements of admission to the SIA in FY 2021, requested an assessment to determine qualification in FY 2022 and admission will be requested upon completion of those requirements.

*Investigations*

Guardianship	Ongoing assessment of all guardianships during the audit process to identify Level II and III compliance and potential fraud cases.
Fraud, Waste and Abuse	Ongoing investigations initiated by concerns from residents, employees, and/or BCC and/or COCC management.

Note: This Inspector General’s FY 2023 Annual Plan represents a flexible planning document. As such, some audits identified herein may not be conducted this year. Also, audits may be conducted that are not included in this document.