



THE HONORABLE
GWEN MARSHALL

CLERK OF THE CIRCUIT COURT AND COMPTROLLER

CLERK OF COURTS • COUNTY COMPTROLLER • AUDITOR • TREASURER • RECORDER

DIVISION OF INTERNAL AUDITING

LEON COUNTY AUDIT COMMITTEE MEETING

January 18, 2024

2:00 P.M.

MINUTES

Committee Members Present: Deidre Melton, CISA, CIA, CFE, CISM, CRISC, Chair
John Keillor, CPA, CIA, Vice Chair
Ted Sauerbeck, CPA
Tom Duncan

Clerk Staff Present: Gwen Marshall, Clerk of Court
Kenneth Kent, Chief Deputy Clerk
Daniel Andrew, Chief Information Officer
Natalie Hill, Internal Auditor

I. Meeting Called to OrderDeidre Melton, CISA, CIA, CFE, CISM, CRISC, Chair
Deidre Melton called the meeting to order at 2:09 p.m.

II. Cybersecurity/IT Update.....Daniel Andrew, Chief Information Officer

Daniel provided an update on the outstanding IT audit issues. Due to security concerns the report on this agenda item will not be documented in the minutes. Currently there is no expected completion date to address outstanding issues. Kenneth Kent reported that the Clerk’s office participates in a cybersecurity grant program offered by State of Florida that allows for subscription monitoring services to help mitigate risks. Deidra discussed a training that she attended, and it warned of recent attacks on multi-factors authentication. Organizations are advised to increase cybersecurity training and for employees to verify the locations of where the access is requested. Also suggested was for staff sign up for InfraGard, a free information sharing on IT threats offered by the Federal Bureau of Investigation. A background check is required.

III. Approval of the October 19, 2023, meeting minutes.....Deidre Melton

John Keillor moved to accept the minutes of the October 19, 2023, meeting as presented. The motion was seconded by Ted Sauerbeck, and the motion carried.

IV. Clerk’s Comments.....Gwen Marshall, Clerk of Court

Clerk Marshall reported that staff turnover has reduced the activities of the Division of Internal Auditing (IA.) There was only one application submitted for the Internal Audit Manager position and that candidate's salary request far exceeded budget availability. Human Resources recommended reclassifying the position to a Senior Internal Auditor in order to be able to recruit more candidates. Also, it will allow the opportunity for professional growth in achieving the Certified Internal Auditing (CIA) certification necessary to become the IA Manager. A discussion ensued on alternative ways the audit function can be performed. Clerk Marshall Knight stated that she's considered bringing in a 3rd party; however, she expressed concern with the challenge in learning the clerk's financial application.

Clerk Marshall Knight reported that fiscal year (FY) 2022-23-year end audit has started. There are no current issues impacting the progress of the audit.

The committee asked for an update on the refund of the clerk's traffic fees that were incorrectly sent to the State. Staff reached out to the Department of Revenue (DOR) and was advised that monies have been set aside for the refund but is awaiting further direction from the Florida Court Clerks Operation Corporation.

Kenneth Kent reported the external auditors has completed their field work for the clerk audit. He will be meeting with them later today and is expecting the final report to be issued. There are still some outstanding issues from last year that needs to be resolved; however, he isn't expecting any new findings. The clerk will seek financial assistance from the County to help address the pending issues. He then discussed different initiatives that the office has undertaken to improve operations and reduce risks in our money handling areas.

Clerk Marshall Knight also reported that the County had updated their Food and Beverage Purchasing policy. A copy of the policy will be provided to the committee.

The committee requested the status on updating the Whistleblowers policy. Clerk Marshall Knight stated that staff is waiting for additional training. Chair Melton stated that FAMU's next Whistleblower training is scheduled for February 6, 2024. Committee members were invited to attend, and registration is free.

V. Q4-2023 Budget to Actual Variance Report.....Natalie Hill, Auditor

Natie Hill provided an update of current audits and reviewed the outstanding issues follow-up conducted.

Audits:

- Tax Deeds Process – report has been drafted and reviewed by management and a member of the audit committee. The report contains four findings related to Policies/Procedures, List of Lands Available for Sale, Banned Bidders, and Statutory and Internal Compliance. Additional audit work was performed to further quantify exceptions and populations noted during reviews.

- Fee Disbursement Table – this audit has been postponed due to new legislation. So far, approximately 70 assessments have been audited to determine if the fee amounts and designations (mandatory/discretionary) are correct, per the Florida Court Clerks and Comptrollers’ (FCCC) Distribution Schedule and Florida Statutes.
- P-Card – this audit has been postponed, allowing the Finance Department time to implement new procedures regarding the reconciliation process. There has been a new position acquired within the Finance Department to assist with reviewing p-card documentation.
- Fixed Assets – this audit has been postponed.
- Guardianship – this audit has been carried forward to the 2023-24 Audit Plan.
- Outstanding Issues Log – focus was on following up on cybersecurity and IT issues. Most of the outstanding issues will be tested by a 3rd party to ensure issues are resolved.

It was suggested the CIO attend the next audit committee meeting, given the issues are confidential and technical in nature. The CIO would be better able to explain the issues, remedies, and answer any questions.

- Cash Counts – four cash counts were completed, and memos were issued.

Outstanding Audit Issues Follow Up:

Five open issues for the Board were discussed by Ms. Hill:

- MS Access Database Uploads – Mr. Kent mentioned the Finance Department and CIS have been completing a review of the Microsoft Access Databases to assess which databases need to be retained and which need to be restricted for access only by certain individuals. They are down to about 10 databases.
- Florida Springs Grant Program – no follow up as of the meeting.
- Purchasing Process Review (2 related findings) – Revision of Purchasing Policy and revision of the P-Card Policy. Ms. Hill spoke with the Purchasing Director and was informed the Purchasing Policy will be presented for approval by the Board at the November 2023 meeting. Additionally, the P-Card Policy was revised and presented to the Board at the May 2023 meeting where it was approved. IA obtained a copy of this approved policy.
- Cybersecurity – MIS is working with a 3rd party vendor to address the issue; this is ongoing.
- There were 11 closed issues for the Board related to cybersecurity during 2023.
- There were 2 issues closed, during 2023, for the Board from the external audit (capital assets for other constitutional officers and construction in progress). Corrective action was taken for both, and the recommendations were considered resolved.

Five open issues for the Clerk’s Office were discussed by Ms. Hill:

- Each issue is related to cybersecurity. Ms. Hill spoke with the CIO and was informed the office is working with a 3rd party vendor to assist with testing and confirm the issues are resolved.
- There were 5 closed issues for the Clerk related to cybersecurity during 2023.

Regarding cybersecurity, Kenneth Kent stated the Clerk’s Office is requiring all staff to complete a 4-hour cybersecurity training course.

VI. FY 2022-2023 Audit Report.....Natalie Hill

Ms. Hill presented the 2022-23 Internal Audit Report which includes the Division of Internal Auditing’s projects and accomplishments for the year. The committee recommended the following improvements to future reports:

- Consider moving the Goals section to the front of the report.
- Include the Mission of the internal audit function and the standards upon which it operates.
- Develop a Report Completion checklist.

Also, discussed was the methodology used to calculate risks. Recommendations were made to:

- Develop a timeline on following up with actions.
- Assign parties responsible for completing tasks.
- Targeted completion date.

Kenneth discussed recent actions that have been taken to address findings from the Tax Deed audit. Ted Sauerbeck offered to review the Tax Deed Audit report and provide his written feedback. Natalie asked the members if they would be willing to share with her copies of their Report Completion checklist.

VII. Other Business.....None

VIII. Adjournment..... Deidre Melton

There being no further business, the meeting was adjourned at 3:58 p.m.