



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 CLERK OF COURT & COMPTROLLER
INTERNAL AUDIT ADVISORY COMMITTEE (IAA)**

MEETING

April 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
Nancy Shepherd, CPA, CIA, CRMA

Clerk Staff Present: Gwen Marshall Knight, Clerk of the Court and Comptroller
Kenneth A. Kent, Chief Deputy Clerk
Caratina Luckey, Senior Internal Auditor

I. Meeting Called to OrderDeidre Melton, CISA, CIA, CFE, CISM, CRISC, Chair
Deidre Melton called the meeting to order at 2:04 p.m.

II. Approval of the January 18, 2024, meeting minutes.....Deidre Melton
Nancy Shepherd moved to accept the minutes of the January 18, 2024, meeting as presented.
The motion was seconded by Ted Sauerbeck, CPA and the motion carried.

III. Clerk’s Comments.....Gwen Marshall Knight, Clerk & Controller

Clerk Knight gave an update on the activities of the Internal Auditing Division (IA). There have been tremendous efforts to recruit for the Internal Audit Manager position, with no success. The current candidate pool doesn’t meet the minimum certification requirement for the position. Following the advisement of Human Resource, Clerk Knight restructured IA to have a Senior Auditor and Internal Auditor. The expectation that one would acquire the Certified Internal Audit designation within 2 years of employment to become the Manager. This would allow the opportunity for growth and the fulfillment of audit charter and audit committee by-laws. Interviews for the internal auditor position are on-going.

Also, reported was that Deidre Melton (Board appointee) and John Keillor (Clerk appointee) will term out on the IAA on December 31, 2024. Recommendation for replacements should be submitted to Clerk and/or the Board of County Commissioners (BoCC).

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- IV. Clerk Knight introduced the new Senior Internal Auditor, Caratina Luckey to the Internal Audit Advisory Committee (IAA). Ms. Luckey provided a brief overview of her work experience in auditing.
- V. Kenneth Kent reported on the following outstanding audit issues and the impacts on the Internal Audit Division:
1. Guardianship Audit
 - High profile/High risk.
 - Need to revisit issues identified in the original audit.
 - Review guardianship with large sums of money. Aware of 2 guardianships with possible 100k in assets.
 2. Purchase Card
 - Hired an Accountant to review P-card statements.
 - Clerk has streamlined the process since last update.
 - Board has implemented their own internal controls.
 3. Fixed Assets
 - Possible review toward end of year
 - Work with County to track possible assets
 4. Cash Counts – temporarily suspended.
 5. Fraud Prevention Review - temporarily suspended.
 6. Risk Assessment - TBD
 7. Fee Disbursement Audit – looking to outsource to a third party.

Mr. Kent also reported that FY 2023-24 financial report has not been issued by the external auditor. The single audit of the Clerk’s office was completed and received an unqualified opinion. The external auditors are working to finalize the BoCC and expecting to complete the ACFRA by the end of the month.

Nancy recognized the Clerk’s office for successfully recruiting an Auditor during an industry shortage. She requested an update on appropriation for a new accounting system. Mr. Kent stated that there has been ongoing discussion with the BoCC to replace the current Enterprise Resource Planning (ERP) system. There are concerns with difficulties finding staff with knowledge of the system. There was a discussion regarding the new cybersecurity standards starting soon and other challenges, such as “end of life” that come with known vulnerabilities from using a legacy ERP system.

Also discussed was the timeline to fill the other audit vacancy and the potential impact on completing the annual audit plan. Clerk Marshall stated that she has reached out to peer counties for assistance with acclimating the Caratina to the clerk’s office.

Ted Sauerbeck asked if the office had looked into the recommendation previously made from the committee to registered with Infoguard Cyber Security Network. Clerk Marshall will check

with staff and provide the committee with a status report. Mr. Sauerbeck also requested a status of the Tax Deeds audit findings. Mr. Kent informed of the following:

- An Accounting Specialist was hired to assist with the reconciliation of tax deeds sales.
- Implemented segregation duties between the Tax Coordinator and the Accounting Specialist.
- Accounts are now being reconciled to Banner.
- Implemented controls to stop overpayment issues.
- Implement changes on the website to match Florida Statutes.
- Update policies/procedures to reflect current practice.

Kent also reported on Cyber Security grants that the office received from the State of Florida.

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 Clerk of Court Operation Corporation (CCOC). CCOC is the recipient of the refund.

- VI. Clerk Marshall Knight reported that the audits from fiscal year (FY) 2022-2023 were carried forward to (FY) 2023-2024. The goal is to complete the open audits before conducting another risk assessment.
- VII. Other Business.....None
- VIII. Adjournment..... Deidre Melton

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