


Ken Burke, CPA
CLERK OF THE CIRCUIT COURT AND COMPTROLLER
PINELLAS COUNTY, FLORIDA

Clerk of the County Court
Recorder of Deeds
Clerk and Accountant of the Board of County Commissioners
Custodian of County Funds
County Auditor

Division of Inspector General
510 Bay Avenue
Clearwater, FL 33756
Telephone: (727) 464-8371
Fax: (727) 464-8386
Fraud Hotline: (727) 45FRAUD (453-7283)
Clerk's website: www.mypinellasclerk.org

Report No. 2015-16

TO: Constance Daniels, Director
Court and Operational Services

FROM: Hector Collazo, Jr., Inspector General/Chief Audit Executive
Division of Inspector General 

DIST: Ken Burke, CPA, Clerk of the Circuit Court and Comptroller
Claretha Harris, Chief Deputy Director, Finance Division
Sandra Tuller, Manager, Records & Information Management
Pamella Lewin-Hermann, Assistant Manager, Records & Information Management

SUBJECT: Unannounced Audit of the Clerk's Records & Information Management
Mid-County Office Notary Journals and Imprest Funds

DATE: June 23, 2015

This letter serves to inform you that the Division of Inspector General has completed an unannounced audit of the Clerk's Records & Information Management Mid-County Office Notary Journals and Imprest Funds located at 14155 49th Street North, Clearwater. We audited the Notary Journals and Imprest Funds on May 12, 2015.

The objectives of our audit were to:

1. Sample Notary Journals to ascertain that notaries are logging notarial acts, completing all Notary Journal fields, and not improperly using Deputy Clerk stamps in lieu of notary stamps in accordance with established policies and procedures.
2. Reconcile the Imprest Funds and ascertain that the appropriate internal controls, safeguards, and policies and procedures are being followed, safeguarding the county funds under your departmental control.



The one Notary Public in the office of the Clerk's Records & Information Management Mid-County office is logging all notary acts in a non-approved Notary Public record book/journal. The record book/journal being used does not contain all of the notary fields in the Notary Journal that should be used in accordance with established policies and procedures as noted in Issue No. 3 below.

The office is not improperly using Deputy Clerk stamps in lieu of notary stamps in accordance with established policies and procedures.

All Imprest Funds reconciled to the authorized amounts and were accounted for. The department's internal controls and safeguarding of Imprest Funds are adequate, but should be improved as noted in Issue Nos.1 and 2 below.

The issues were discussed with Management during our audit, and Management stated they intend to comply with the recommendations set forth below.

Our audit was conducted in accordance with the *International Standards for the Professional Practice of Internal Auditing* and the *Principles and Standards for Offices of Inspector General*, and accordingly, included such tests of records and other auditing procedures as we considered necessary in the circumstances.

1. Entire Change Fund Is Not Counted Twice Daily.

The change fund is not counted twice daily. The office has two drawers comprising the change fund, and only one of the two drawers is counted twice daily. The second drawer is a backup cash drawer for a separate cashier and is used only when the main cashier is absent. When it is not used, it is not counted twice daily.

Management was not aware of the Clerk's Vault Fund Balancing Procedure No. 2.41 for change funds. Cash fund policies and procedures are controls that are designed to safeguard cash. Non-compliance with policies and procedures can increase the risk of misuse of these funds.

The Clerk's Accounting Policies and Procedures Manual, Court and Operational Services Division, Procedure No. 2.41, also states that each morning and evening the vault funds will be counted and balanced.

We recommend the custodian and cashier count the entire change fund each morning and evening when balancing the vault funds in accordance with the Clerk's Accounting Vault Fund Balancing Procedure No. 2.41.

Management Response:

Management concurs with the finding. The entire change fund is now being counted twice each day, once in the morning and again in the evening.

2. Vault Fund Balance Sheet Is Not Used To Balance The Change Fund Daily.

The Vault Fund Balance Sheet, referenced in the Clerk's Vault Fund Balancing Procedure No. 2.41, is not used in the Mid-County Office to balance the change fund daily. Instead, the office uses an alternate form.

Management was not aware of the Clerk's Vault Fund Balancing Procedure No. 2.41 that states the vault funds will be balanced using the Vault Fund Balance Sheets. Cash fund policies and procedures are controls that are designed to safeguard cash. Non-compliance with policies and procedures can increase the risk of misuse of these funds.

The Clerk's Accounting Policies and Procedures Manual, Court and Operational Services Division, Procedure No. 2.41, states that each morning and evening the vault funds will be counted and balanced using the Vault Fund Balance Sheets. The procedure also shows an example of the Vault Fund Balance Sheet form in Exhibit 3-K of the manual.

We recommend the cashier and custodian use the Vault Fund Balance Sheet to comply with the Clerk's Accounting Vault Fund Balancing Procedure No. 2.41.

Management Response:

Management concurs with the finding. The Vault Fund Balance Sheet is now in use at the 49th Street Office.

3. An Alternate Notary Log Is Used Instead Of The Clerk's Notary Journal Form.

The Records & Information Management office is using a different notary journal format than the standard Notary Journal used by other Clerk's locations. As a result, they are not including all information required on the standard Notary Journal.

The Notary Journal used by the Notary at the Records & Information Management office is missing the following eight fields for documentation:

- A. Type of Notarial Act
- B. Expiration dates for Identification
- C. Additional Comments section

- D. Signer's right thumbprint option
- E. Witness Signatures, when applicable
- F. Signer's representative capacity
- G. Fee charge
- H. Receipt number

Management was not aware of the standard Notary Journal form being used at other Clerk's locations. The notary journal/log currently being used by the Notary at this location does not contain all of the fields necessary (missing 8 fields above) to accurately complete the Notary Journal and may not provide the required information needed for future reference.

The standard Notary Journal being used by the Clerk's locations includes all fields deemed by Clerk's management to be complete records for notarial acts. The Notary Journals are ordered on-line on the Clerk's Printing Services intranet site. The Clerk's Notary Policy refers to the "Governor's Reference Manual For Notaries" on the Clerk's intranet site.

We recommend Management use the Clerk's Notary Journal supplied by Clerk's Printing Services.

Management Response:

Management concurs with the findings.

We appreciate your staff's cooperation during this audit.