



PAT FRANK
Clerk of the Circuit Court
13th Judicial Circuit

COUNTY AUDIT

HILLSBOROUGH COUNTY, FLORIDA

CLERK'S SPECIAL CONTROLS REVIEW

TRAFFIC CITATION PROCESS

REPORT #226

NOVEMBER 17, 2011

MEMORANDUM

DATE: November 17, 2011

TO: Pat Frank, Clerk of the Circuit Court

FROM: Daniel A. Pohto, CPA, CIA
Director, County Audit

SUBJECT: Traffic Citation Process Control Review

Enclosed is the report of the Traffic Department as it relates to the Traffic Citation Process Control Review. Responses to our recommendations were received from management and are included in the report after each finding and recommendation.

We appreciate the cooperation and professional courtesies extended to our internal auditors by management and employees of the Traffic Department, Collection Department, Plant City Court Operations, and Brandon and South Shore Regional Service Centers.

c: Doug Bakke, Chief Deputy Clerk
Ramin Kouzehkanani, Chief Deputy Clerk
Kathy Regan, Chief Deputy Clerk,
Idania Alfonso, Director, IT
Andrew Barrios, Director, Brandon Regional Service Center
Judy Dominquez, Director, Plant City Court Operation
David Jones, Director, South Shore Regional Service Center
Brandi Williams, Director, Traffic Department

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EXECUTIVE SUMMARY

BACKGROUND INFORMATION:

In December 2010, the Clerk appointed a team of senior managers to investigate possible dismissal of traffic citations by a Traffic Department staff member. As a result of the investigation, three Clerk employees were released from their employment in February 2011. Later, with the investigation continuing, eight additional staff members were found to have violated organization policy and were also released. In May 2011, the Clerk requested that the County Audit Department conduct an internal control review of the traffic citation process. From July 1, 2010 to June 30, 2011, the Clerk processed 231,524 traffic infraction citations (see APPENDIX A).

OBJECTIVE:

To determine that the system of internal control over the traffic citation recording and disposition process is adequately designed, implemented, and working as management intended.

SCOPE:

The audit was conducted based on the *International Standards for the Professional Practice of Internal Auditors*, issued by The Institute of Internal Auditors. We reviewed and evaluated the internal controls over receiving, recording, and disposing of traffic citations processed by the Clerk's Traffic Department (CTD), Plant City Court Operations, and the Brandon and South Shores Regional Service Centers. Our procedures consisted of interviewing personnel, including the Z2 Division Hearing Officer for citation infractions, analyzing fraud risk, conducting on-site procedures, and documenting the traffic citation process from "cradle to grave." It also included analyzing citation data from the two traffic computerized systems currently operated by the department -MPEPROD and Hillsborough County Traffic System (HCTS).

OVERALL EVALUATION:

The Traffic Department's management and staff are dedicated and knowledgeable of the processing, collecting, and disposing of traffic citations in accordance with Florida Statutes. Collection of delinquent fines and court costs has been implemented. The Information Technology Department successfully implemented the HCTS in July 2010.

The following tables summarize the Observations contained within this report. For each Observation, a cross reference to the page number where the details of the concern can be found has been included.

TRAFFIC DEPARTMENT		
OBSERVATION	DESCRIPTION	PAGE REFERENCE
1	Written procedures over the Traffic Department functions need attention.	See page 4 of this report.
2	Monitoring Controls over Proof of Compliance citations are weak.	See page 5 of this report.
3	Driver license reinstatements are not properly monitored.	See page 7 of this report.
4	Miscellaneous receipts are not numbered sequentially.	See page 8 of this report.
5	There is increased fraud risk within the traffic citation process.	See page 9 of this report.
6	An electronic sign and seal fee should be considered by management.	See page 10 of this report.

INFORMATION TECHNOLOGY DEPARTMENT		
OBSERVATION	DESCRIPTION	PAGE REFERENCE
7	Hillsborough County Sheriff's Office electronic citations do not interface with the HCTS.	See page 11 of this report.
8	The Clerk's internet search site for HCTS traffic citations has misleading payment information displayed.	See page 12 of this report.
9	HCTS was unavailable for an extended period of time.	See page 13 of this report.

COLLECTIONS DEPARTMENT		
OBSERVATION	DESCRIPTION	PAGE REFERENCE
10	Delinquent HCTS traffic citation's fees and fines are not turned over to the Clerk's contract collection agencies.	See page 15 of this report.
11	The collection process for delinquent citations is manual and very inefficient.	See page 16 of this report.
12	Unpaid citations on payment plans were purged from the MPEPROD System.	See page 17 of this report.

CLERK'S ADMINISTRATION		
OBSERVATION	DESCRIPTION	PAGE REFERENCE
13	Anonymous reporting of fraudulent activities or behaviors is not available within the Clerk's Office.	See page 18 of this report.
14	Security for cashiers needs improvement.	See page 19 of this report.
15	Revenues lost through dismissed court costs and fines.	See page 20 of this report.
16	Loss of Court Cost and Fines due to statute discrepancies.	See page 21 of this report.

OTHER AGENCIES		
17	Agency citations received into HCTS holding queue are not reconciled to the Agency's citation transmittal.	See page 22 of this report.
18	Law Enforcement Agencies do not always submit traffic citations in accordance with Florida Statute 316.650, Traffic Citations.	See page 23 of this report.

OPINION:

Based on the results of our audit review, the Traffic Department's monitoring controls are weak and in need of improvement. Specifically, driver license reinstatements and fee dismissals monitoring controls are nonexistent. We believe that our recommendations, if implemented, will enhance the internal controls of the Traffic Department.

The exit conference was conducted on October 13, 2011.

AUDIT BY:

Daniel A. Pohto, Director, County Audit
Pete McGregor, Manager, County Audit
Ed Tobias, IT Manager, County Audit
Steve Hooper, Senior Auditor, County Audit

OBSERVATIONS & RECOMMENDATIONS TRAFFIC DEPARTMENT

OBSERVATION 1

Written procedures over the Traffic Department functions need attention.

Written procedures are the foundation to a good internal control structure. An effectively designed and implemented procedure ensures, if followed, a process is performed as management intended. Procedures should be maintained current and should be reviewed at least annually to ensure current processes are incorporated into them.

Written procedures, designed and implemented by the Traffic Department for their staff, are also used by the staff at Plant City Court Operations and the regional service centers at Brandon and South Shore to process traffic citations from intake through disposition. During the review, we requested written procedures over the processes performed by the Traffic Department. Some procedures were written in a procedural format while others were hand written in a note taking format. Some procedures were relatively current (January 2011) while others were undated or dated more than six years (May 2005). Some processes did not have written procedures. Some of the procedures were numbered and dated, while others were not. None of the procedures we reviewed indicated approval by the Department Director.

RECOMMENDATION:

A review of all processes performed by the Traffic Department needs to be accomplished. Management should perform a risk assessment of the traffic citation process. Identified risks should be mitigated through well designed and adequate controls that are incorporated into the written procedures. Management should ensure performance consistency in each process and that controls are working as they intended through monitoring and annual procedure reviews. Procedures should be approved by the Department Director. Once the review is completed, training should be provided to staff.

CLIENT RESPONSE:

We concur with the observation.

CORRECTIVE ACTION PLAN:

The observation refers to procedures, and the recommendation references processes. We have already begun monitoring and revising procedures and processes. This is an ongoing and evolving effort. Additionally, the office has launched a global initiative under the direction of the new CIO/Chief of Strategic Planning. This initiative is redefining business processes across the enterprise employing the Six-Sigma DMAIC methodology: Define, Measure, Analyze, Improve and Control. The Traffic Department is part of that initiative.

OBSERVATION 2

Monitoring Controls over Proof of Compliance citations are weak.

1. The traffic infraction dismissed fee process is performed by front counter staff located in Tampa, Plant City, and the two regional service centers. Staff can dismiss fees for 15 different "Proof of Compliance" statute infractions, ranging from no proof of insurance to failure to display a license, if the defendant can timely and satisfactorily produce the document(s) not in their possession at the time of offense. Staff can also dismiss late fees applied by the computer system. Fees dismissed are supported by the staff's detail but the documentation is not scanned into the electronic citation file. A populated dismissal screen is the only evidence of compliance by the defendant. Data from the HCTS shows that 20,880 citations have been dismissed by front counter staff from July 1, 2010 through June 30, 2011 where the defendant only paid the \$10.00 processing fee (APPENDIX B). There are no monitoring controls over the dismissed fees. Thus, a defendant could have their license reinstated or their fees waived without completing statutory requirements.

2. Court room staff can also dismiss certain fees associated with traffic citations. When a judge waives any fines, court costs, paid fees or prosecution fees the clerk can go into the HCTS and modify the citation. Fiscal Year 2011 data from HCTS shows that 21,571 citations were dismissed in the courtroom process where the defendant did not pay any money (APPENDIX C). A preventive control was designed into HCTS to require a reason be entered for the dismissal. A pop-up window appears and the staff member dismissing the fee is required to populate the box with a detailed reasoning for the dismissal. After populating the box, the fee may be waived. During our control review, we noted that monitoring controls have not been implemented by management to ensure the dismissals were appropriate and system entries support the dismissal.

RECOMMENDATION:

Management should design and implement monitoring controls to ensure dismissed fees are appropriate.

CLIENT RESPONSE:

We concur with the observation.

CORRECTIVE ACTION PLAN:

The current HCTS system has improved monitoring controls versus those previously available in MPEPROD. The department has assembled a team to reconcile and audit daily transaction reports prior to submission to DHSMV. Additionally, a copy of the documentation required for compliance is now retained for the court file and added to the electronic record.

With the Odyssey implementation, security levels, access rights, and controls will be

better defined. The ongoing process is fluid and evolving into a paperless procedure and has been incorporated into the global initiative. Quarterly review of data will be implemented beginning in the first quarter of 2012 to monitor reporting regarding improvement or reduction in discrepancies.

OBSERVATION 3

Driver license reinstatements are not properly monitored.

Currently, front counter staff can reinstate a defendant's driver license if all court ordered requirements have been met. Staff can access the Department of Motor Vehicles' (DMV) data base and remove the license suspension (D6). Staff collects the DMV imposed reinstatement fee (\$60.00). The fee is manually entered into the Hillsborough County Traffic System and a receipt is generated for the defendant. Staff is required to maintain a manually prepared individual spreadsheet (Tampa, Plant City) or a section manual log (South Shore, Brandon) of all reinstatements. The spreadsheets and logs are not reconciled to the DMV data.

RECOMMENDATION:

Management should work with the DMV and the Florida Association of Court Clerks in devising a reconciliation tool such as a reinstatement report that could be electronically received and matched against spreadsheets maintained by staff. Manual logs at Brandon and South Shore should be eliminated and a system spreadsheet be prepared for all reinstatements.

CLIENT RESPONSE:

We concur in part with the observation.

CORRECTIVE ACTION PLAN:

Management will work with the DMV and the Florida Association of Court Clerks in order to develop a reconciliation process to ensure that all clearances that are issued to the DMV have a corresponding action in the Traffic System. The manual logs will remain an interim process until the above action has been completed. In addition, beginning at the end of the first quarter of 2012, the reconciliation process will be reviewed on a quarterly basis.

OBSERVATION 4

Miscellaneous receipts are not numbered sequentially.

Front counter staff have blank, unnumbered miscellaneous receipts. The receipts are used when the HCTS cannot correctly generate citation fees on a system receipt. This is due to a known error in the HCTS system which causes data errors on the citations. If a Manager cannot properly generate the fees, the clerk issues a miscellaneous receipt with the citation number and services rendered so that the customer can complete their transaction. The money accepted for payment is placed in a Miscellaneous Suspense Account. The miscellaneous receipt contains a unique, system-generated receipt number (upon system validation). Although the system generates the unique receipt number, the receipt itself is not pre-numbered in a sequential manner to control it. There are no controls in place to preclude a staff member from by-passing the system and collecting cash without it being recorded.

RECOMMENDATION:

It is our understanding that the unnumbered manual receipts will be phased out with the new Odyssey system in late 2012. In the meantime, we recommend that department management recall all miscellaneous receipts from their staff and devise a control over their use.

CLIENT RESPONSE:

We concur with the observation.

CORRECTIVE ACTION PLAN:

Pre-numbered Miscellaneous Receipts have been ordered, pre-numbered receipt logs have been designed and forwarded to each Traffic cashiering station. Traffic's management is drafting a procedure for the receipts and receipt logs. The pre-numbered miscellaneous receipts will be in use by the end of December, 2011.

OBSERVATION 5

There is increased fraud risk within the traffic citation process.

To identify fraud risk within the traffic citation process, we conducted sixteen interviews of randomly selected management and staff using a standardized questionnaire. Of the sixteen interviewed, three managers and six staff members stated that fraud risks were rated medium to high. Some comments were alarming and indicated a weakness in understanding Clerk Policies *ER-1.4 Code Of Ethics*, and *ER-5.19 Handling and Reporting Fraud*, and the department's internal control structure. We summarized some of these comments below:

- employees and managers may not report time correctly;
- appearance of preferential treatment in traffic court;
- weakness in driver license reinstatement process;
- not enough training for existing employees;
- personal use of office supplies is not monitored;
- staff would confront someone acting unethically instead of reporting it to their manager or supervisor as outlined in Clerk's policies.

A strong internal control structure reduces the opportunity for fraudulent activities to manifest. A combination of preventive, detective, compensating, and monitoring controls assists in the building of a strong internal control structure. The existing internal control structure provides the opportunity for fraudulent activity within the department.

RECOMMENDATION:

An internal control structure review should be conducted by management. Focus should be on risk and missing monitoring controls (manual and system) as well as available system controls. All management and staff should receive formalized training on the content and meaning of Clerk Policies *ER-1.4 Code Of Ethics* and *ER-5.19, Handling and Reporting Fraud*.

CLIENT RESPONSE:

We concur with the observation.

CORRECTIVE ACTION PLAN:

Management will conduct a review of the internal control structure in all areas with a specific emphasis on those areas where the risk of fraud is greatest. In addition, all management and staff will receive formalized training on all Clerk Policies, including those referenced in this observation, by the end of December, 2012.

OBSERVATION 6

An electronic sign and seal fee should be considered by management.

Currently, a letter is generated by front counter staff for defendants to take to the Department of Motor Vehicles (DMV). The letter is system generated as part of the fines and fees payment process. The letter is a certification from the Clerk's Traffic Department (CTD) that the defendant has satisfied all court ordered sanctions (drivers' school, fines, fees). The defendant pays a \$7 fee for the letter and if reinstatement is requested, a DMV imposed \$60.00 license reinstatement fee. The letter's \$7 fee is considered a "sign and seal" fee authorized by Florida Statute 28. If the defendant's license was surrendered at the time of the citation and the defendant had satisfied all court ordered sanctions, the letter would need to be generated so the defendant can take it to the DMV to obtain a new license. Since the CTD is reinstating the license and posting fees in the HCTS, it could be reasonable noted that the Clerk has provided an electronic "sign and seal" service and a letter would not be needed.

RECOMMENDATION:

The CTD should consult with legal counsel as to the possibilities of modifying their driver license reinstatements process to allow for electronic "sign and seal fee" collections. In addition, driver license reinstatements are a service to the defendant. Thus, the CTD may want to explore adding a charge for this service.

CLIENT RESPONSE:

We concur with the observation.

CORRECTIVE ACTION PLAN:

The Clerk does not have the authority to institute a charge for service that is not specifically provided for in statute. We need clarification on the authority to charge for this under the statute. We will explore the possibility of seeking relief through the Legislature and/or FACC.

OBSERVATIONS & RECOMMENDATIONS INFORMATION TECHNOLOGY DEPARTMENT

OBSERVATION 7

Hillsborough County Sheriff's Office electronic citations do not interface with the HCTS.

Hillsborough County Sheriff's Office (HCSO) has electronic ticket writers whose software does not interface with the HCTS. From July 1, 2010 to June 30, 2011, HCSO submitted 59,550 of the 231,524 traffic citations processed by the Clerk (APPENDIX A). Other large law enforcements agencies (LEA), such as the Florida Highway Patrol, Tampa Police, Temple Terrace Police, and Plant City Police, all have successfully interfaced their electronic ticket writer software to HCTS. These successful interfaces have increased the efficiencies within the traffic citation process. While these interfaces automatically populate the HCTS citation screen, HCSO's citations are manually entered by Traffic Department staff. Efficiency in the process could be improved.

RECOMMENDATION:

Management should solicit the Clerk's IT Department to assist in establishing dialog with the HCSO to expedite the interface process. A target date should be established to encourage both participants to meet this efficiency goal.

CLIENT RESPONSE:

We concur with the observation, but not the recommendation.

CORRECTIVE ACTION PLAN:

Electronic citations are a part of the DHSMV statewide initiative and the Clerk will participate in this initiative as appropriate. According to the DHSMV's "E-Citation Preparation Standards" document, "E-Citation usage in Florida began in 2002 and rose steadily over the years, and in late 2010 surpassed 54% of law enforcement agencies using or preparing to use E-Citations...The Department is continuing its efforts to increase the number of law enforcement agencies utilizing E-Citations."

This initiative has been incorporated into our strategic focus and we will aggressively pursue the implementation of electronic citations in participation with our partner agencies.

OBSERVATION 8

The Clerk's internet search site for HCTS traffic citations has misleading payment information displayed.

We looked at the traffic citation disposition information provided on the Clerk's official internet site and noted that the payment data screen contained inaccurate accounting of the payment transactions. For example, citation #005889GOE shows the following information:

Fine/Cost: \$10.00
Late Fee: \$16.00
D6 Clearance: \$ 7.00
Total Amount Due: -\$23.00
Balance: \$0.00

This example would lead the general public to presume that \$23.00 had been paid and the balance owed was \$0.00. Factually, based on the dollars provided, the balance due should be \$10.00. The inadequacy of posted information also was present in citation numbers 005546SYU and 007945GOE. The error identified above shows the late fee and D6 clearance being dismissed, thus indicating a -\$23.00 (\$16.00 + \$7.00) reduction of total amount due.

RECOMMENDATION:

Traffic management should work with the IT department to develop a more descriptive screen for payments. The negative dollar amount should be captured as "Dismissed Fees" and the Total Amount Due should reflect the total amount to be paid. A "Payment Amount" would allow for a zero dollar balance which would clarify the transaction processed.

CLIENT RESPONSE:

We concur with the observation.

CORRECTIVE ACTION PLAN:

The recommended website changes will be implemented by end of December, 2011.

OBSERVATION 9

HCTS was unavailable for an extended period of time.

During our review, we noted that HCTS experienced extended system downtime which affected the public and other departments that rely on this system. Due to the heavy volume of citations that are received by the Clerk, over 5,000 citations were not entered into HCTS, affecting the ability of cashiers to accept payment for citations at the counter and preventing some defendants from paying their citations online through MyFlorida.com or the AMSCOT websites. Some customers waited over 2 hours to pay their citations because they did not want to leave without getting their driver's license reinstated. Other customers who could not pay their citations during their visit ran the risk of driving with a suspended license until they could make another trip back to the Traffic Department and pay their citation. The Traffic Call Center was unable to assist approximately 40% of their incoming calls and the Clerk's website was unable to display any traffic citations that were available as public record. In addition, the Traffic Department will incur additional staff expenses as they work overtime to enter the backlogged citations, remove any incorrect late fees systematically generated by HCTS, and recall any *capias* that were inadvertently issued.

In addition, the Courts have been impacted since court dates could not be entered, documentation that is needed by the Judges and State Attorney's office cannot be printed, and the Traffic Department has had to hand carry the requested items to the Courts as needed. The Clerk's Accounting Department was also affected and unable to continue their year-end processing due to their reliance on this system.

RECOMMENDATION:

IT needs to provide dedicated, redundant hardware for use by HCTS due to the heavy transaction volume of the system and the large amount of people that are affected by a system outage.

CLIENT RESPONSE:

We concur with the observation.

CORRECTIVE ACTION PLAN:

IT has placed HCTS on two dedicated servers. In the event that one of the servers stops responding, the other server handles the connections. In the event the application fails, there is a test QA environment which is a mirror of the production environment that can be used as it was during this time frame for Clerk's Accounting.

Contacted Microsoft and they made recommendations on code changes to handle the memory usage of images; isolated the website traffic by routing the website through a different server; moved the application from 2 virtual 32-bit servers having 4 CPUs with

4 gb of memory to 2 physical 64-bit servers having 16 CPUs and at least 24 gb of memory. The items listed in the corrective action plan above were completed on October 7, 2011.

OBSERVATIONS & RECOMMENDATIONS COLLECTIONS DEPARTMENT

OBSERVATION 10

Delinquent HCTS traffic citation fees and fines are not turned over to the Clerk's contract collection agencies.

In March 2011, two contracted vendor agencies began collection efforts on delinquent traffic infraction fees and fines that were captured in the MPEPROD system totaling \$14 million. Through August 1, 2011, the two agencies combined to collect approximately \$40,000 per week since inception. Currently, delinquent traffic infractions fees and fines entered into the HCTS are not sent to the contracted vendors. Therefore, the Clerk is not collecting all fees and fines imposed by Florida Statutes.

RECOMMENDATION:

The Clerk should extend collection efforts for delinquent traffic infraction fees and fines that are in HCTS.

CLIENT RESPONSE:

We partially concur with the observation.

CORRECTIVE ACTION PLAN:

The level of collections is directly attributable to the age of receivables. Prior to the implementation of the Odyssey Case Management System, there will be a one-time extraction of outstanding receivables from HCTS which will be distributed through the collections process. With the Odyssey implementation, all court areas will route outstanding collectables through the collections process.

OBSERVATION 11

The collection process for delinquent citations is manual and very inefficient.

In March 2011, the Clerk's Collections Department handed over 140,000 delinquent citations to two outside collection agencies. Every week, each agency sends a check and a paper report detailing the payments that were collected. An average of 160 citations per week is collected by the two agencies totaling \$40,000. Management tracks the collection efforts by manually updating a spreadsheet for each paid citation and generating a weekly management report.

Payments received from the collection agencies are posted to the system through the following procedure. A Traffic supervisor looks up each citation, determines the total fees for each citation, and manually adds up the citations. Each citation is manually paid in the system. Once the client's full payment has been posted to the citation, the client's mailing address is verified then the D6 clearance letter is printed and mailed out to the client. If errors in the citation payment amounts are found, the entire check and report are returned back to the Collections department for discussions with the collection agency.

The Traffic department spends an average of 15-20 hours per week processing payments from the Collections department. No additional staff were added to the Traffic department to handle this extra work so backup cashiers are used to process the citations.

RECOMMENDATION:

Management should examine how the use of automation and integration of electronic data from the collection agencies can reduce errors and increase efficiency for the collections process.

CLIENT RESPONSE:

We concur with the observation.

CORRECTIVE ACTION PLAN:

The bulk of outstanding civil citations have been referred to Collection Agencies. The MPEProd Traffic system is antiquated and did not allow for many opportunities for automation and integration. We will gain many efficiencies through the transition to the Odyssey Case Management System. With Phase III, which includes Traffic, there is a large emphasis on integration with outside agencies, to include the electronic transfer of data both to and from the Collection Agencies.

OBSERVATION 12

Unpaid citations on payment plans were purged from the MPEPROD System.

Currently, defendants can set up a payment plan for their fines and fees. The partial payments are received from the defendant and placed in a miscellaneous account # 2043 because only paid in full citations are processed to the citation. Once a payment is paid in full, the payment is entered into the system for the citation and reported to the State. However, if a citation is not paid in full within seven years of issue date, the citation is purged from the system by an Administrative Order issued by the Chief Judge of the 13th Judicial Circuit. During our review it was noted that 172 defendant payment plans, dating from December 31, 2003 and earlier, were purged leaving \$15,082.42 in the 2043 miscellaneous account. The partial payments balance has not been released to the State. Until a decision is made with the partial payments, the monies remain in the miscellaneous account 2043.

RECOMMENDATION:

The Collections Department should design and implement monitoring controls over defendant payment plans. The Department should consider data analysis to assist in mitigating the risk of a purged citation before full payment is received. If used as a monitoring control, the Department would be alerted to the unpaid amounts early so an alternate course of collection could be implemented.

CLIENT RESPONSE:

We concur in part with the observation.

CORRECTIVE ACTION PLAN:

The Collections Department has recommended monitoring controls over partial payment plans, which will be reviewed by the Clerk, and if found to be in acceptable form, implemented as an approved business process.

The Traffic Department will seek an order from the Chief Judge authorizing the Clerk to disburse the balance in the 2043 Miscellaneous Account to the State. The Clerk will consult with the Chief Judge to review the current purge process by administrative order. The targeted completion date for the actions above is by the end of the first quarter, 2012.

OBSERVATIONS & RECOMMENDATIONS CLERK'S ADMINISTRATION

OBSERVATION 13

Anonymous reporting of fraudulent activities or behaviors is not available within the Clerk's Office.

Clerk policies *ER-1.4 Code of Ethics* and *ER-5.19 Handling and Reporting Fraud* does not communicate to those within the organization that if there is a problem, a vehicle exists for those inside the organization to report the problem in an anonymous way so that they don't feel jeopardized. Currently, the policies do not provide an anonymous reporting hotline for employees. According to the Association of Certified Fraud Examiners, 40% of all reported frauds received were from "tips." A well-designed whistleblower program features an option for anonymity, organization-wide, and available 24/7, ideally by telephone. It provides for case management protocols, including processes for the timely investigation of hotline reports and documentation of the results. It should provide ongoing messaging to motivate everyone in the organization, as well as vendors, to use the hotline.

RECOMMENDATION:

The Clerk should establish a comprehensive fraud risk management program, including a whistleblower program and fraud awareness training for all employees. Also, responsibility for the program should be assigned to an appropriate member of senior management, and the program's effectiveness should be assessed at least annually.

CLIENT RESPONSE:

We concur in part with the observation.

CORRECTIVE ACTION PLAN:

The existing state Whistleblower Act contained in Chapter 112, Florida Statutes contains certain reporting requirements that conflict with an anonymous "tips" program. While the state Whistleblower Act serves a valid public purpose, the characteristics of a fraud reporting program contained in Observation 13 will be developed in addition to the existing state Whistleblower Act to insure that a reporting process is truly anonymous and encouraged without the constraints of the state Whistleblower Act. To be meaningful, the fraud-reporting program will be developed by senior staff as a business process after careful review of best practices and existing programs that are proven to be successful. The targeted start date for development of the program is the first quarter of 2012 with completion targeted for the end of 2012.

OBSERVATION 14

Security for cashiers needs improvement.

1. During the review, it was noted that security for the cashiers needed improvement. In all operations visited, we observed that front counter clerks were enclosed in low desk like cubicles which are used as cashier "cages." The low counters do not prevent an undesirable event from happening. For example, the low counters allow the general public easy access to the clerk and the cash collections. Cage like improvements is needed for cashier safety with safety glass enclosures.
2. Our review also noted a concern that there were not enough security cameras overlooking the Traffic front counter section in Building 419.
3. It was also noted in Building # 419 that the close of business day process lacks proper security procedures.

RECOMMENDATIONS:

1. With the future move of traffic operations from its present position in building 419, management should include in the construction design, secured cashier cages for front counter staff and adequate cameras overlooking the front counter section. For all existing front counter facilities, improvements should be considered, such as safety glass enclosures to safeguard our assets.
2. Management should ensure that adequate camera coverage is available that focuses on the front counter staff and their customers.
3. Management should institute proper security procedures.

CLIENT RESPONSE:

We concur with the observation.

CORRECTIVE ACTION PLAN:

In conjunction with the build out at 419 Pierce Street, all security issues related to Traffic cashiers to include safety glass, cameras and panic buttons will be reviewed and appropriate security measures will be implemented.

OBSERVATION 15

Revenues lost through dismissed court costs and fines.

In the courtroom, cases are dismissed because they are a companion to a more serious charge. For example, a DUI criminal case may have an accompanying speeding citation. The court, having adjudicated the defendant on the DUI, does not order fines or fees for the citation. Therefore it is “dismissed” and docketed that way. From July 1, 2010 through June 30, 2011, 21,571 citations were dismissed in court where the defendant paid \$0.00 (APPENDIX C).

RECOMMENDATION:

The Clerk should establish dialogue with the 13th Judicial Circuit to have companion cases adjudicated and fees and fines ordered.

CLIENT RESPONSE:

N/A, not within the purview of the Clerk of the Circuit Court.

CORRECTIVE ACTION PLAN:

The disposition of all court cases is reported to the Office of the State Courts Administrator (OSCA) and the Supreme Court. The judiciary manages that process. The Thirteenth Judicial Circuit is very aggressive in requiring mandatory assessment of fees and fines to include the issuance of Administrative Order 2007-107, “Mandatory Costs, Assessments, Surcharges and Fines.” The Clerk of the Circuit Court is a ministerial office; it is not within the purview of the Office to engage in dialogue with the Thirteenth Judicial Circuit to encourage companion cases be adjudicated and fees and fines ordered.

OBSERVATION 16

Loss of court cost and fines due to statute discrepancies.

A well designed revenue internal control structure would have a preventive control to assure citations are processed correctly to ensure all fees and fines are collected. One preventive control for court operations would allow for statute corrections before disposition orders. Currently, citations are received and processed into the Hillsborough County Traffic System (HCTS) by staff members of the Traffic Department. During processing, a statute discrepancy may be created due to the lack of readability of the statute number or the statute number does not match to the offense description. During our review, we noted that 231,524 citations (APPENDIX A) were processed through the traffic citation process. Of these, 4,980 were statute discrepancies of which 4,336 statute discrepancies were dismissed in court (APPENDIX D). One law enforcement agency (Tampa Police Department) had a discrepancy error rate of approximately 3 percent (agency statute discrepancies submitted divided by agency citations submitted). The discrepancies can result in the courts dismissing them and a loss of court cost and fines.

RECOMMENDATION:

The Clerk should establish dialogue with the Department of Justice's 13th Judicial Circuit to have statute discrepancies corrected before proceeding with the Court's disposition order.

CLIENT RESPONSE:

We concur with the observation.

CORRECTIVE ACTION PLAN:

Through continuous training within the Clerk's intake area and business alignment, the discrepancies have been reduced by approximately seventy-five percent. The remainder will continue to be addressed through the avenue of judicial review.

OBSERVATIONS & RECOMMENDATIONS OTHER AGENCIES

OBSERVATION 17

Agency citations received into HCTS holding queue are not reconciled to the Agency's citation transmittal.

Two law enforcement agencies, Plant City Police and the Florida Highway Patrol citations are interfaced with the Hillsborough County Traffic System (HCTS). According to a Clerk's IT Development Project Manager, the citations are received by HCTS and directed to a holding queue until the paper citation is entered in by data entry. Each day the HCTS looks for the citations received from the agencies at 6:30am, 12 noon, and 9:00pm and places them into the holding queue. Reconciliations are a good detective control for an internal control system that provides a reasonable assurance that all citations sent to the Traffic Department were processed. For the period July 1, 2010 through June 30, 2011, sixty five citations were received electronically from the law enforcement agencies but never processed into the HCTS. There is no reconciliation procedure for the record count of electronic citations received in the holding queue to the transmittal report that is sent by the law enforcement agencies.

RECOMMENDATION:

A detective control (such as reconciliation) needs to be designed and implemented to provide assurance that all received electronic citations have been processed.

CLIENT RESPONSE:

We concur with the observation.

CORRECTIVE ACTION PLAN:

The Traffic and IT Departments will work in conjunction to develop a reconciliation process to be implemented by the end of December, 2011.

OBSERVATION 18

Law Enforcement Agencies do not always submit traffic citations in accordance with Florida Statute 316.650, Traffic Citations.

Traffic citations are not always received by the Clerk's office within the statutory five days from issuance date requirement. From July 1, 2010 to June 30, 2011, law enforcement agencies submitted 231,524 citations to the Clerk for disposition action. Of these, 39,523 citations (APPENDIX E) were not received within the five day time period established by Florida Statute 316.650 (3)(a). The citation can be dismissed in court for violation of this statute.

RECOMMENDATION:

The Clerk should establish dialogue with law enforcement agencies concerning late submittals of traffic citations and to work for a solution to their delinquent actions.

CLIENT RESPONSE:

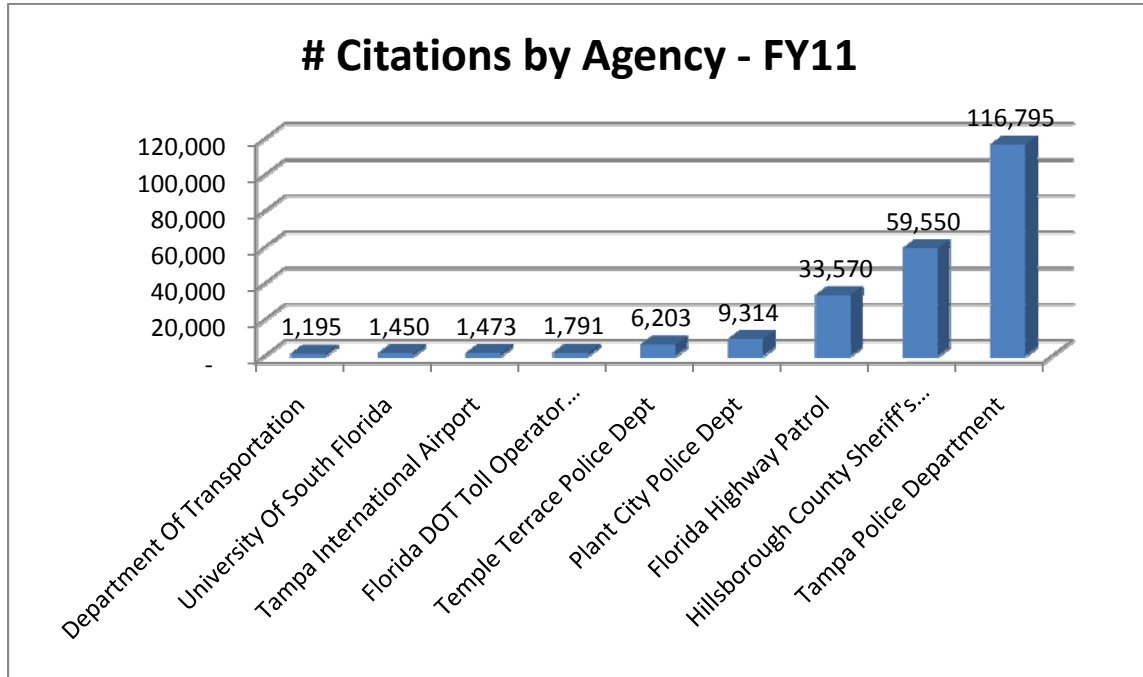
N/A, not within the purview of the Clerk of the Circuit Court.

CORRECTIVE ACTION PLAN:

The Clerk's office has ongoing communications with law enforcement and is working to re-launch the Criminal Justice Information System (CJIS) Committee meetings to include a more strategic focus and conversation. Issues of this nature will be addressed through that venue.

APPENDIX A

**Number of Citations submitted by Agency
(July 1, 2010 – June 30, 2011)**



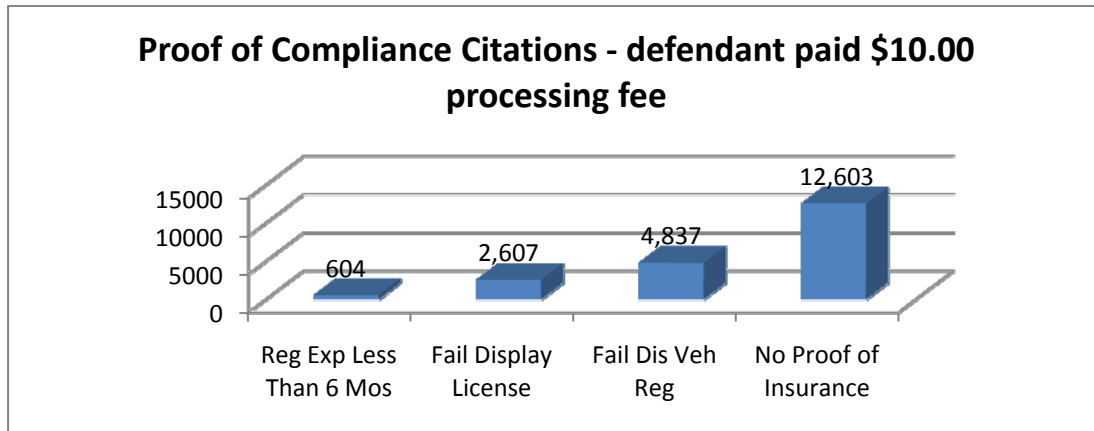
Note: Only agencies that submitted more than 1,000 citations during the scope period were listed in the chart above.

Agency	# Citations	% Citations
Florida Department Law Enforcement	33	0.1%
State Attorney	34	0.1%
Florida Wildlife Commission	58	0.1%
Seminole Dept Of Law Enforcement	58	0.1%
Department Of Transportation	1,195	0.5%
University Of South Florida	1,450	0.6%
Tampa International Airport	1,473	0.6%
Florida DOT Toll Operator 33434	1,791	0.8%
Temple Terrace Police Dept	6,203	2.7%
Plant City Police Dept	9,314	4.0%
Florida Highway Patrol	33,570	14.4%
Hillsborough County Sheriff's Office	59,550	25.6%
Tampa Police Department	116,795	50.4%
Total Citations	231,524	100.0%

Source: HCTS

APPENDIX B

**Proof of Compliance Citations dismissed at the Counter
(July 1, 2010 – June 30, 2011)**



Note: 59,959 citations, for violations of the 7 statutes noted below, were submitted from July 1, 2010 through June 30, 2011. Of these 59,959 citations, 7,574 are open, 20,880 were dismissed at the counter (defendant paid a \$10.00 processing fee), and 31,505 were dismissed at the counter (defendant paid more than the \$10.00 processing fee). Only statutes that had at least 600 dismissals during the scope period were listed in the chart above.

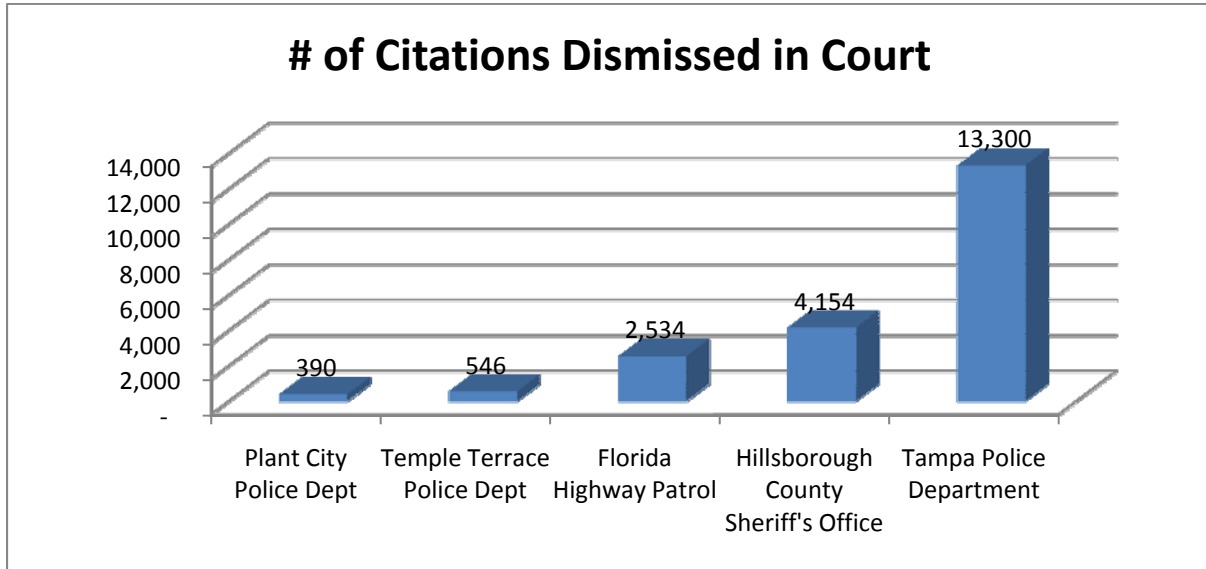
Agency	NVDL	Lic/Exp Less Than 4 Mos	Reg Exp More Than 6 Mos	Reg Exp Less Than 6 Mos	Fail Display License	Fail Dis Veh Reg	No Proof of Ins.	# of Cit. with \$10 Fee	Agency Total Citations	% of Cit. with \$10.00 fee
Dept Of Transportation	-	1	1	2	5	11	2	22	115	19%
Florida Dept Law Enf.	-	-	-	-	1	2		3	11	27%
Florida Highway Patrol	2	14	15	79	430	933	2,919	4,392	8,692	51%
Florida Wildlife Comm.	-	-	-	-	-	-	-	-	6	0%
Hillsborough County Sheriff's Office	9	16	36	131	474	406	1,176	2248	9,534	24%
Plant City Police Dept	3	1	8	38	271	474	781	1576	3,993	39%
Seminole Dept Of Law Enforcement	-	-	-	-	-	-	-	-	11	0%
State Attorney	-	-	-	-	-	-	-	-	6	0%
Tampa International Airport	1	2	2	14	16	7	57	99	632	16%
Tampa Police Department	26	48	41	333	1,306	2,775	7,199	11,728	35,209	33%
Temple Terrace Police Dept	-	1	2	4	62	199	387	655	1424	46%
University Of South Florida	-	-	-	3	42	30	82	157	326	48%

Totals	41	83	105	604	2,607	4,837	12,603	20,880	59,959	35%
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Source: HCTS

APPENDIX C

**Number of dismissed Court Citations where the defendants paid \$0.00
(July 1, 2010 – June 30, 2011)**



Note: Only agencies that had at least 390 dismissed citations during the scope period were listed in the chart above.

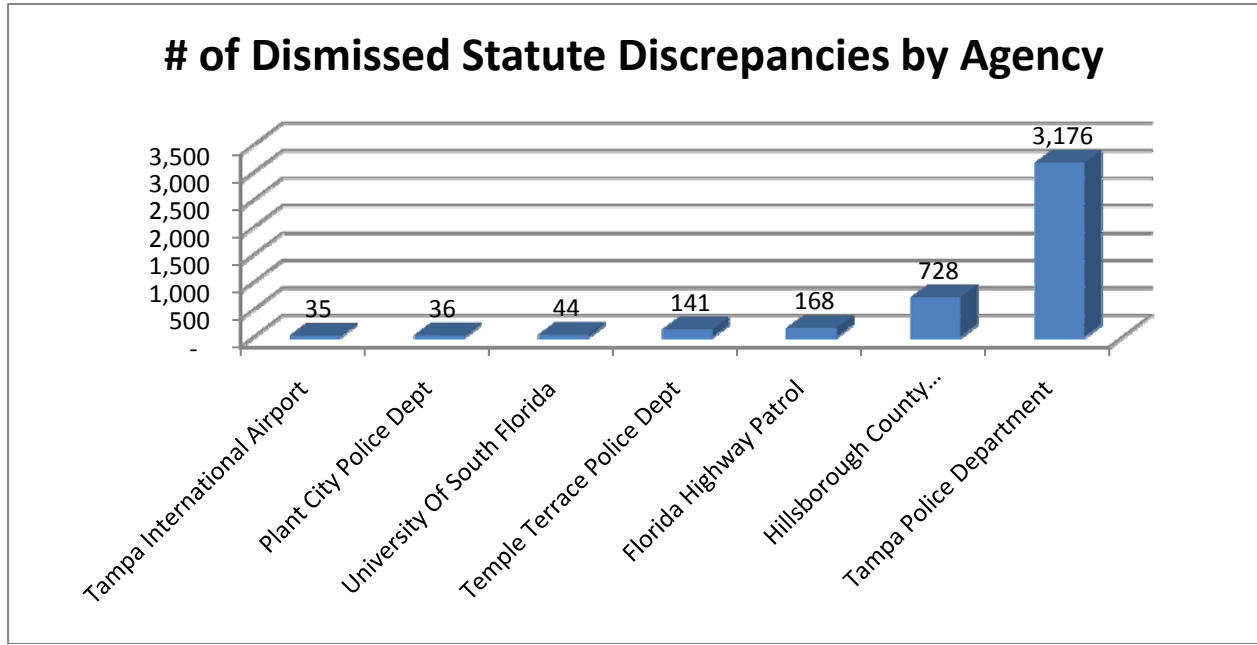
Agency	# Citations that were dismissed in Court	# of Court Citations	% Court Citations that were dismissed
State Attorney	1	27	4%
Florida Dept Law Enforcement	4	11	36%
Seminole Dept Of Law Enforcement	10	42	24%
Florida Wildlife Commission	13	20	65%
Department Of Transportation	105	342	31%
University Of South Florida	148	366	40%
Florida DOT Toll Operator 33434	183	395	46%
Tampa International Airport	183	654	28%
Plant City Police Dept	390	2,438	16%
Temple Terrace Police Dept	546	1,602	34%
Florida Highway Patrol	2,534	7,081	36%
Hills. County Sheriff's Office	4,154	17,893	23%
Tampa Police Department	13,300	41,736	32%

Totals	21,571	72,607	30%
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Source: HCTS

APPENDIX D

**Statute Discrepancies by Agency
(July 1, 2010 – June 30, 2011)**



Note: Only agencies that had at least 35 Statute Discrepancies in the scope period were listed in the chart above.

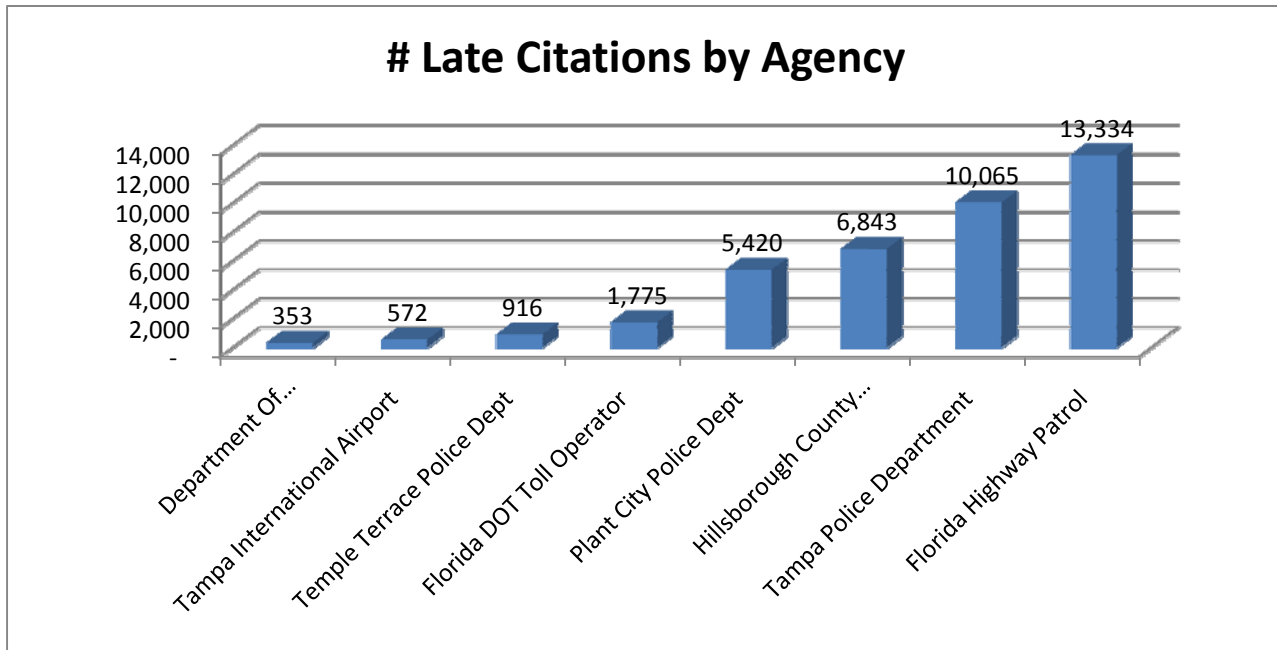
Agency	# of Statute Disc.	# of corrected Statute Disc.	# of Statute Disc. dismissed	% of Citations dismissed in Court
Department Of Transportation	2	1	1	50.0%
Florida Dept Law Enforcement	1	-	1	100.0%
Florida Wildlife Commission	3	-	3	100.0%
Seminole Dept Of Law Enf.	3	-	3	100.0%
Tampa International Airport	50	15	35	70.0%
Plant City Police Dept	93	57	36	38.7%
University Of South Florida	46	2	44	95.7%
Temple Terrace Police Dept	150	9	141	94.0%
Florida Highway Patrol	184	16	168	91.3%
Hills. County Sheriff's Office	926	198	728	78.6%
Tampa Police Department	3,522	346	3,176	90.2%

Totals	4,980	644	4,336	87.1%
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Source: HCTS

APPENDIX E

Number of Late Citations submitted by Agency (July 1, 2010 – June 30, 2011)



Note: Only agencies with more than 350 late citations in the scope period were listed in the chart above.

Agency	7 days	8 days	9 days	10 days	11 days	11+ days	Total Late Citations	Total Cit. Submitted	% Late
Florida Dept Law Enf.	1	2	2	1	1	14	21	33	64%
Florida Wildlife Comm.	3	3	1	4	5	13	29	58	50%
Seminole Dept of Law Enf.	-	8	10	1	3	7	29	58	50%
State Attorney	-	-	-	-	-	33	33	34	97%
Univ. Of South Florida	86	17	10	11	-	9	133	1,450	9%
Dept Of Transportation	149	68	53	27	20	36	353	1,195	30%
Tampa Int'l Airport	168	141	78	66	45	74	572	1,473	39%
Temple Terrace Police Dept	246	51	38	36	36	509	916	6,203	15%
Florida DOT Toll Operator	-	-	1	1	-	1,773	1,775	1,791	99%
Plant City Police Dept	1,667	1,605	726	592	366	464	5,420	9,314	58%
Hills. County Sheriff's Off.	2,585	1,214	615	509	380	1,540	6,843	59,550	11%
Tampa Police Department	4,004	2,045	1,335	623	743	1,315	10,065	116,795	9%
Florida Highway Patrol	4,197	2,820	1,543	1,202	951	2,621	13,334	33,570	40%
Totals	13,106	7,974	4,412	3,073	2,550	8,408	39,523	231,524	17%

Source: HCTS