

# **COUNTY AUDIT DEPARTMENT**

**REPORT # 387**

*An Audit of:*

**CIVIL COURTS CHILD SUPPORT PROCESS**

**AUGUST 7, 2020**



*Pat Frank* INTEGRITY. TRANSPARENCY. ACCOUNTABILITY.

CLERK OF COURT & COMPTROLLER • HILLSBOROUGH COUNTY, FLORIDA

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**August 7, 2020**

**Pat Frank**  
**Clerk of Court and Comptroller**

Dear Ms. Frank:

The Audit Team performed an audit of the Civil Courts Child Support Process (Audit Report #387, dated August 7, 2020). Responses to the Audit Team's recommendations were received from the Senior Director of Civil Courts and have been included in the Report after each audit comment and recommendation.

The purpose of this Report is to furnish management independent, objective analysis, recommendations, counsel, and information concerning the activities reviewed. It is not an appraisal or rating of management.

Although the Audit Team exercised due professional care in the performance of this audit, this should not be construed to mean that unreported noncompliance or irregularities do not exist. The deterrence of fraud and/or employee abuse is the responsibility of management. Audit procedures alone, even when carried out with professional care, do not guarantee that fraud or abuse will be detected.

The Audit Team appreciates the cooperation and professional courtesies extended to the auditors by the Senior Director and personnel of Civil Courts during this audit.

Sincerely,

Heidi Pinner, CIA, CISA, CFE, CRMA  
Senior Director of County Audit

CC: Dan Klein, Chief Executive Officer, Clerk of Court and Comptroller  
Doug Bakke, Chief Operating Officer/Courts, Clerk of Court and Comptroller  
Kathleen Rocamora, Senior Director, Civil Courts

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## **EXECUTIVE SUMMARY**

### **BACKGROUND INFORMATION**

The Clerk's Court Operations area provides direct support services for civil and criminal courts for the Thirteenth Judicial Circuit in the State of Florida.

The Civil Court Processing Center (CCPC) supports civil court cases and financial services for all court types. This work center includes Domestic Violence, Foreclosure, Juvenile Dependency, Mental Health, Probate, Guardianship, and Family Law.

Family Law cases include, among others, Dissolution of Marriage (divorce), Annulment, Adoption, Child Support, Custody, Paternity and Alimony. Several of these cases can result in an order for child support. When child support is ordered, the judge may order direct payments to a custodial parent or indirect payments to the State Disbursement Unit (SDU) in Tallahassee, which are then disbursed to the custodial parent. When child support payments are ordered through the SDU, the Clerk functions as the custodian of these payment records.

The Central Governmental Depository (CGD) is the Clerk department responsible for maintaining support accounts. The term support includes child support, alimony, and monies owed to the State of Florida Department of Revenue (DOR) for government assistance. The CGD keeps the official record of all support activity in these types of cases. The CGD receipts support payments, purges payments, and adds fees associated with support cases. Additionally, the CGD accepts pleadings for filing, answers questions regarding support, and provides copies of payment histories for a nominal cost. The CGD also processes all court orders when support has been ordered payable through the Court.

The CGD utilizes both Odyssey and the Clerk of Court Child Support Collection (CLERC) system to complete these tasks. Odyssey is an electronic case management system utilized throughout the Clerk's office and used by the CGD to maintain documents and case information. The CLERC system was designed by the Florida Court Clerks and Comptrollers Association (FCCC) to comply with the Florida Statutes that mandate all depositories for child support be integrated. The system was implemented in 1994 and is mandated for use by all Clerk's Offices throughout the state. The CLERC system is used by the CGD to capture all finance related information such as assessments, payments and interest charged.

### **OBJECTIVE**

The objective of the audit was to determine whether or not adequate controls are in place to:

- Ensure compliance with the relevant laws and regulations pertaining to child support.
- Address risks associated with child support operations.

## SCOPE

The audit was conducted in conformance with the *Generally Accepted Government Auditing Standards* and the *International Standards for the Professional Practice of Internal Auditing*. These Standards require that County Audit plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for the audit comments and conclusions based on the audit objectives. County Audit believes that the evidence obtained provides this reasonable basis.

The Audit Team reviewed the processes and controls surrounding the child support services provided by the CCPC/CGD. The period for testing included October 1, 2018 through September 30, 2019.

## OVERALL EVALUATION

**Adequate controls are in place to ensure the accuracy and validity of child support case information and to address risks associated with child support operations. An opportunity exists to improve compliance with the Florida State Statute 61.14 and 61.17.**

### Process strengths:

- Case information in Odyssey was accurately captured in the CLERC system, and consisted of all the relevant documents to ensure validity.
- Amendments made to cases in the CLERC system were all supported by the relevant documents in Odyssey.
- Driver's licenses were appropriately suspended, and fees and assessments were accurately charged.
- The *Daily Balance Ledger* was compiled accurately.
- The interest charged to delinquent cases was accurate and the appropriate interest rates were used.
- All the fees charged by the Child Support Department for the 2019 fiscal year were statutorily-based and authorized by policies/rules.

### Control improvement opportunities:

- Some driver's license suspensions did not have a *Personal Information Form* submitted with the *Request to Suspend Driver's License Form* as required by the Clerk's website/departmental policy.
- Some driver's license suspensions had incorrect dates on suspension forms.
- Delinquency documents were not issued in the required timeframe to comply with the Florida State Statutes.

Full testing results are included on page 4 of this Report.

**OPINION**

Control Maturity Levels



The overall control environment relative to the management of Child Support Services is at a formal maturity level. This means that management has processes and controls which reasonably ensure that child support cases are accurate, valid and in compliance with required state statutes. Opportunities were identified to strengthen the compliance controls related to delinquent cases and to address clerical errors. Addressing these opportunities will enhance the overall control structure and provide increased consistency and assurance.

The exit conference was held on June 24, 2020.

Other minor concerns not included in this Report were communicated to management and/or corrected during fieldwork.

**AUDITED BY**

Heidi Pinner, CIA, CISA, CFE, CRMA, Senior Director of County Audit  
 Margaret Brown, CIA, Audit Manager  
 Hanno Roodt, CA, Internal Auditor

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## AUDIT COMMENTS & RECOMMENDATIONS

### AUDIT COMMENT 1

#### **Controls are in place to ensure that child support case information is accurate and valid.**

The objective was to determine whether or not there are adequate controls in place to ensure accuracy and validity of child support case information in both the Odyssey and CLERC systems.

Child support case information and documents are manually uploaded into Odyssey by court clerks. Case information is then manually captured in the CLERC system. Assessments and interest are automatically calculated in the CLERC system. Any change made to the CLERC system needs to be supported by a Court Order/Final Judgement in Odyssey. The supervisor performs spot checks on this information.

There were 67,317 child support cases in Odyssey as-of September 30, 2019. The Audit Team judgmentally selected a sample of 25 child support cases and reviewed the related backup documentation in Odyssey to ensure that information agreed to the CLERC system. This testing included verification that:

- Each case was supported by a court order/final judgement.
- Supporting documentation of the court order/final judgement was maintained in Odyssey.
- The case information, as per Odyssey, agreed to the court order.
- All the documents in the CLERC system were captured in Odyssey.
- The amounts in the CLERC system agreed to the amounts in Odyssey.
- All changes made in the CLERC system had required supporting documents (court order/final judgment, etc.) in Odyssey.
- The \$5.25 fee was assessed for every income withholding order as per Florida Statute 61.181 and that it agreed to the income withholding order as per Odyssey.

#### Testing Results

All 25 child support cases tested (100%) had a court order/final judgement in Odyssey, case information as per Odyssey agreed to the court order/final judgement, information as per the documents in Odyssey agreed to the information in the CLERC system and all changes made to the CLERC system were authorized and supported by the required documents in Odyssey. There were no inconsistencies identified between Odyssey and the CLERC system.

#### **RECOMMENDATION**

The Audit Team did not identify any material concerns that require management's corrective action.

**AUDIT COMMENT 2****Adequate controls are in place for the driver's license suspension process however, an opportunity exists to improve supporting documentation.**

The objective was to determine whether or not there are adequate controls in place to ensure validity and compliance of Driver's License suspensions in Odyssey and the CLERC systems.

When an account becomes delinquent, the custodial parent may file a *Request to Suspend Driver's License and Motor Vehicle Registration* form. This form is to be accompanied by a *Personal Information Form*. The Clerk's Office then prepares a *Notice of Intent to Initiate Driver's License Suspension* form and issues it to the non-custodial parent, along with a \$25 fee charge. The driver's license is then suspended after 30 days if there are no changes made to the case or full payment is not received.

There were 44 Driver's License suspensions during fiscal year 2019. The Audit Team judgmentally selected a sample of 10 of these suspensions and reviewed the related backup documentation from Odyssey to determine whether or not:

- It agreed to the information in the CLERC system as well as the *Comprehensive Case Information System* (CCIS).
- The payoff statements were recalculated and the fees payable as per Florida State Statute 61.13016 were verified.
- The *Notice of Intent to Initiate Driver's License Suspension* Form was accompanied by a *Request to Suspend Driver's License and Motor Vehicle Registration* Form from the custodial parent.
- The \$25 fee was added to the case in the CLERC system
- The driver's license reflects as suspended in the *Comprehensive Case Information System*.
- The obligor paid the delinquency in full, including additional suspension and affidavit charges for any license reinstated through payment.
- The relevant court order is in Odyssey, and the additional suspension and affidavit charges were paid for licenses reinstated through a court order
- The *Notice of Intent to Initiate Driver's License Suspension* Form was accurate and agreed to the CLERC system.
- The driver's license was suspended within 30 days of delinquency.

### Testing Results

- All of the driver's license suspensions tested (100%) had the correct fees charged to the case, reflected correctly in the Comprehensive Case Information System, were reinstated appropriately and had accurate *Notice of Intent to Initiate Driver's License Suspension* statements.
- Three of the driver's license suspensions (30%) had the *Personal Information Form* submitted with the Request to suspend Driver's License Form as required. The other seven driver's license suspensions (70%) did not have this required form. The *Personal Information Form* is a requirement stipulated on the HillsClerk website to be submitted by the custodial parent with the Request to suspend Driver's License Form.
- Seven of the driver's licenses suspensions tested (70%) had the correct dates on the suspension forms. The remaining three driver's license suspensions (30%) had incorrect dates on the forms. These errors were clerical only and had no impact on the suspension outcome.

### **RECOMMENDATION**

Management should consider:

1. Enforcing the requirement to submit a Personal Information Form with the Request to Suspend Driver's License Form as stipulated on the HillsClerk website or revise the wording on the website to make it optional.
2. Implementing a quality assurance check to review department compiled forms to ensure accuracy of dates.

### ***CLIENT RESPONSE***

1. *Concur*
2. *Concur*

### ***CORRECTIVE ACTION PLAN***

1. *Requirement to submit a Personal Information Form with the Request to Suspend Driver's License Form will be removed from the HillsClerk website.*
2. *The BAISC Team will implement Quality Assurance checks on an annual basis.*

### ***TARGET COMPLETION DATE***

1. *07/17/2020*
2. *10/05/2020*

**AUDIT COMMENT 3****Controls are in place to ensure the *Daily Balance Ledger* is compiled accurately.**

The objective was to determine whether or not the *Daily Balance Ledger* is compiled accurately by reconciling it to the CLERC system data (via *Spoolview* Reports) and to the *AM/PM Lockbox* file.

This *Daily Balance Ledger* contains all the receipts from the *State Depository Unit* (SDU). That information is stored in the CLERC system, and reports are generated with the *Spoolview* program to obtain the combined daily figures for all cases. The information from *Spoolview* then gets manually updated in the morning after the AM (morning) lockbox process with both the AM lockbox process information and the previous day's PM (afternoon) lockbox process. This spreadsheet is continuously updated every day by the Child Support Department.

There were 249 business days for the 2019 fiscal year. The Audit Team randomly selected a sample of 5 days. The Audit Team used CLERC system data to determine whether or not it agreed to the *Daily Balance Ledger* for the selected days. Any discrepancies identified were discussed with the process owner(s).

**Testing Results**

The process described above is highly manual and therefore has a heightened risk for error and inefficiency. However, the Audit Team acknowledges that the design of the CLERC system and its mandated use are outside the control of management. The mitigating controls in place for this process appear adequate and all five (5) days tested agreed to the CLERC system data. No inaccuracies were identified.

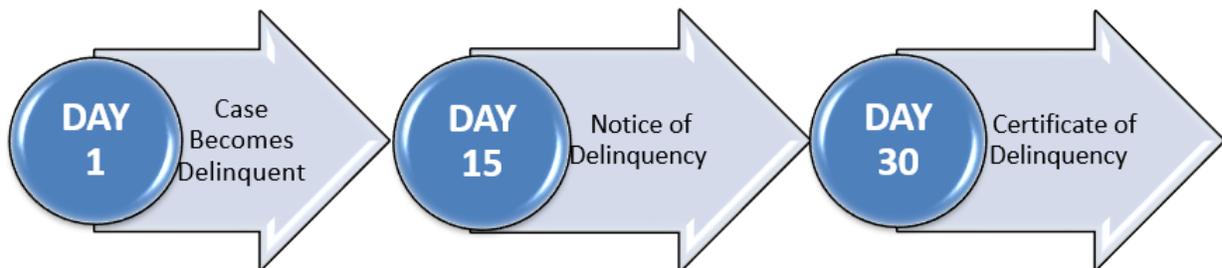
**RECOMMENDATION**

The Audit Team did not identify any material concerns that require management's corrective action.

**AUDIT COMMENT 4**

**Controls are in place to ensure the accuracy and validity of delinquent child support cases. An opportunity exists to improve compliance with Florida State Statutes 61.14 and 61.17.**

The objective was to determine whether or not there are adequate controls in place to ensure the accuracy and validity of delinquent child support cases in Odyssey and the CLERC system and whether or not the process is in compliance with applicable Florida Statutes.



A case becomes delinquent when the periodic payment is more than 15 days late and the amount of the delinquency is greater than the periodic payment. Management has set a case balance amount of \$1,000 to trigger a delinquency case. Per Florida Statutes, a Notice of Delinquency must be issued 15 days after the account has become delinquent and a Certificate of Delinquency must be filed if payment is not made within 15 days of the Notice of Delinquency.

There were 5,480 delinquent child support cases as-of September 30, 2019. The Audit Team judgmentally selected a sample of 10 cases. The Audit Team reviewed the related backup documentation from Odyssey and the CLERC system to determine whether or not it was in compliance with Florida State Statutes 61.14 and 61.17. This consisted of the timeline it took to file a delinquent case, as well as the interest charged.

For each of the cases tested, the Audit Team confirmed that:

- The Notice of Delinquency has been issued within 15 days after the account has become delinquent.
- Any motion to contest delinquency was filed within 15 days from the mailing of the delinquency notice.
- A Judgement/Certificate of Delinquency was filed if a child support payment or a motion was not received within 15 calendar days after issuance of a notice of delinquency.
- Interest started accruing on the date that a Judgement/Certificate of Delinquency was filed and the interest rate agreed to the rate determined by the Florida Department of Financial Services.

### Testing Results

- Nine of the cases tested (90%) had the *Notice of Delinquency* issued within 15 days of the account becoming delinquent. The one remaining case had a *Notice of Delinquency* issued 33 days after the account became delinquent.
- Five of the cases tested (50%) had a *Certificate of Delinquency* issued within 15 days after the *Notice of Delinquency* was issued, as required by Florida Statutes 61.17. The remaining five cases did not have a *Certificate of Delinquency* issued within 15 days. These discrepancies ranged from 16 days to 109 days.
- The interest for all ten (10) delinquent cases tested (100%) was calculated correctly and agreed to the interest rate determined by the Florida Department of Financial Services.

Management stated that the late issuances were due to workload and staffing issues.

### **RECOMMENDATION**

Management should consider developing and implementing a process/procedure to ensure consistent compliance with Chapters 61.14 and 61.17 of the Florida Statutes including;

- Utilizing a date trigger instead of the dollar value trigger for delinquency. Or if a date trigger cannot be accommodated, lowering the threshold for the dollar value trigger to better align with compliance requirements.
- Ensuring delinquency notices are sent within 15 days of the account becoming delinquent.
- Ensuring that Certificate of Delinquency notices are sent within 15 days of the delinquency notice if no payment is received on account by the specified date.

**CLIENT RESPONSE:** *Concur*

**CORRECTIVE ACTION PLAN:** *We will continue to work with the Florida Court Clerks and Comptrollers Association for a technological solution to align with compliance requirements.*

*We have reiterated the importance of timely processing with staff and added checks and balances to ensure compliance.*

**TARGET COMPLETION DATE:** *N/A*