

**STATE OF FLORIDA
AUDITOR GENERAL**



*OPERATIONAL AUDIT
OF THE*

*OFFICE OF THE PUBLIC DEFENDER
FIFTEENTH JUDICIAL CIRCUIT*

For the Period March 1, 1997, Through February 28, 1998

STATE OF FLORIDA

AUDITOR GENERAL

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Table of Contents

LETTER OF TRANSMITTAL

AUDIT REPORT SUMMARY

SCOPE/OBJECTIVES

METHODOLOGY

FINDINGS

BACKGROUND

AUTHORITY

ORGANIZATIONAL STRUCTURE

RELATED AUDITS

REPORT ON COMPLIANCE AND INTERNAL CONTROL

FINDINGS AND RECOMMENDATIONS

CONTRACTUAL SERVICES

TANGIBLE PERSONAL PROPERTY

PRIOR AUDIT FINDINGS

STATEMENT FROM AUDITED OFFICIAL

EXHIBITS



CHARLES L. LESTER, CPA
AUDITOR GENERAL

STATE OF FLORIDA
AUDITOR GENERAL
TALLAHASSEE

October 6, 1998

The President of the Senate, the Speaker of the
House of Representatives, and the
Legislative Auditing Committee

Pursuant to the provisions of Section 11.45, Florida Statutes, and as part of the
Legislature's oversight responsibility for operations of State agencies, I have directed that an
operational audit be made of the

***OFFICE OF THE PUBLIC DEFENDER,
FIFTEENTH JUDICIAL CIRCUIT,***

For the Period March 1, 1997, Through February 28, 1998.

The results of the audit of the Office of the Public Defender are presented herewith.

Respectfully submitted,

A handwritten signature in black ink that reads "Charles L. Lester".

Charles L. Lester
Auditor General

Audit supervised by:
Victor I. Igwe

Audit made by:
Georgina S. Rodriguez

**OPERATIONAL AUDIT
OF THE**

**OFFICE OF THE PUBLIC DEFENDER
FIFTEENTH JUDICIAL CIRCUIT
For the Period March 1, 1997, Through February 28, 1998**

AUDIT REPORT SUMMARY

This audit report summary highlights the scope, objectives, methodology, and findings of audit report No. 13303. It is intended to present the findings of our report in a condensed fashion. The entire audit report should be read for a comprehensive understanding of our audit findings.

SCOPE/OBJECTIVES

The Auditor General, as part of the Legislature's oversight responsibility for operations of State agencies, makes operational audits to evaluate management's performance in administering assigned responsibilities in accordance with applicable laws, administrative rules, and other guidelines and to determine the extent to which the internal control, as designed and placed in operation, promotes and encourages the achievement of management's control objectives in the categories of compliance, economic and efficient operations, reliability of financial records and reports, and safeguarding of assets.

The scope of this audit of the Office of the Public Defender, Fifteenth Judicial Circuit, focused primarily on assets, liabilities, fund equities, revenues and cash receipts, expenditures and disbursements, budgetary controls, and management reporting. For each of these areas, our audit included examinations of various transactions (as well as events and conditions) during the period March 1, 1997, through February 28, 1998.

METHODOLOGY

We conducted our audit in accordance with generally accepted auditing standards and applicable standards contained in *Government Auditing Standards* issued by the Comptroller General of the United States.

FINDINGS

Matters coming to our attention relating to noncompliance with various guidelines and relating to significant deficiencies in the design or operation of the internal control for those operations audited are as follows:

Contractual Services

For a \$40,000 contract requiring a consultant to consult and advise on State funding methods for public defenders, Office of the Public Defender records did not clearly demonstrate the nature and extent of the services provided. Further, although Office management indicated that the consultant never represented the Office before the Legislature, the Office's Special Administrator (a registered lobbyist for the 1997 legislative session) indicated that the consultant provided advice, assistance, and specific direction to the Special Administrator regarding Office communications with the Legislature relating to funding issues. Under these circumstances, we believe that the Public Defender should seek the advice of the Attorney General as to whether the payments for the consultant services provided represented, contrary to the prohibition of Section 11.062(1), Florida Statutes, the use of State funds for lobbying purposes. (See paragraphs 19 through 23.)

Tangible Personal Property

Chapter 273, Florida Statutes, and Chapter 10.300, Rules of the Auditor General for State-Owned Tangible Personal Property (Rules of the Auditor General), prescribe the control procedures and records for establishing accountability for tangible personal property. Tangible personal property, as defined by Section 273.02, Florida Statutes, includes furniture and equipment of a nonconsumable and nonexpendable nature, the value of which is \$500 or more, and the normal expected life of which is one year or more. As of June 30, 1997, the recorded costs of Office of the Public Defender tangible personal property totaled approximately \$600,782.

As similarly noted in audit report No. 13029, paragraphs 20 through 24, our audit tests disclosed that the Office of the Public Defender had not taken appropriate actions to dispose of a significant number of stored tangible personal property

items that appeared to be eligible for classification as surplus to the needs of the Office. The recorded costs of these items totaled approximately \$51,595. Our tests also disclosed two tangible personal property items, whose values totaled \$1,598, that were not tagged and recorded in the property records. Additionally, our audit tests disclosed that the recorded costs of two other items were undervalued by \$2,842. As a result, Office property records did not properly reflect the costs of the tangible personal property actually used in the conduct of the Office's assigned responsibilities. (See paragraphs 24 through 26.)

The Public Defender's written response to the audit findings and recommendations included in audit report No. 13303 is presented as Exhibit D.

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**OPERATIONAL AUDIT
OF THE
OFFICE OF THE PUBLIC DEFENDER
FIFTEENTH JUDICIAL CIRCUIT
For the Period March 1, 1997, Through February 28, 1998**

Par.
No.

BACKGROUND

Authority

- (1) Section 27.50, Florida Statutes, provides that there shall be a Public Defender for each of the judicial circuits of the State who shall be elected at the General Election by the qualified electors of the circuit. The duties of the Public Defender as prescribed by Chapter 27, Part III, Florida Statutes, include representing, without additional compensation, any person who is determined by the court to be indigent as provided in Section 27.52, Florida Statutes, and who is: (1) under arrest for, or is charged with, a felony; (2) under arrest for, or is charged with, a misdemeanor, a violation of Chapter 316, Florida Statutes, which is punishable by imprisonment, criminal contempt, or a violation of a municipal or county ordinance in the county court, unless the court, prior to trial, files in the cause an order of no imprisonment which states that the defendant will not be imprisoned if he or she is convicted; (3) alleged to be a delinquent child pursuant to a petition filed before a circuit court; or (4) sought by petition filed in such court to be involuntarily placed as a mentally ill person or involuntarily admitted to residential services as a person with developmental disabilities.

Organizational Structure

- (2) Richard L. Jorandby is the Public Defender of the Fifteenth Judicial Circuit. The Public Defender of the Fifteenth Judicial Circuit is responsible for performing the duties described above, as provided by law, in Palm Beach County. Offices are maintained at West Palm Beach, Belle Glade, Delray Beach, and Palm Beach Gardens in Palm Beach County. The Public Defender of the Fifteenth Judicial Circuit is also designated, pursuant to Section 27.51(4)(d), Florida Statutes, to perform duties relating to indigent criminal appeals within the counties comprising the Fourth District Court of Appeal, when requested by the applicable Public Defender. At June 30, 1997, the Office of the Public Defender employed 179 people in 204.5 full-time equivalent positions to perform the duties of the Office. An organizational chart of the Office of the Public Defender is presented as Exhibit C.

- (3) The Office of the Public Defender, Fifteenth Judicial Circuit, was funded by State appropriations for the 1996-97 and 1997-98 fiscal years, respectively, pursuant to Chapters 96-424 and 97-152, Laws of Florida, the General Appropriations Acts. The following is a summary of released General Revenue appropriations by appropriation category for the 1996-97 fiscal year:

Appropriation Category	Amount Released	
	Trial Division	Appellate Division
Salaries and Benefits	\$ 7,036,051	\$ 2,181,177
Other Personal Services	285,608	33,228
Expenses	327,232	78,133
Data Processing Services	640	87
Operating Capital Outlay	42,195	1,290
Special Category:		
Public Defenders - Law Library	<u>24,924</u>	<u>300</u>
Total	<u>\$ 7,716,650</u>	<u>\$ 2,294,215</u>

- (4) As required by Section 27.54, Florida Statutes, the county which composes the Fifteenth Judicial Circuit provided facilities and services to the Office of the Public Defender. These facilities and services included office space, utilities, telephone service, and other support as itemized in Section 27.54(3), Florida Statutes.
- (5) The Public Defender's salary was governed by Section 27.5301(1), Florida Statutes, and applicable General Appropriations Acts of the Legislature. Section 27.5301(2), Florida Statutes, provides that the salary for each assistant public defender shall be set by the Public Defender at an amount not to exceed 100 percent of the Public Defender's salary. The *Classification and Pay Procedures for the Employees of the Public Defender Offices of the State of Florida*, promulgated by the Florida Public Defender Association, Inc., as required by Section 27.53(1), Florida Statutes, was used to set the salary ranges for the several classes of employees.
- (6) A comparison of the Office of the Public Defender's budgeted with actual expenditures and commitments for the 1996-97 fiscal year, the last complete year subject to audit, is presented as Exhibit A. The purpose of this budgetary comparison is to provide information useful to an understanding of the budgetary structure and operations of the Office of the Public Defender. This comparison presents both budgetary and actual amounts on the basis specified in Chapter

216, Florida Statutes, and the applicable portions of the 1996-97 General Appropriations Act, as further described in the notes to the Exhibit. The Exhibit was prepared by us from Office records and was reviewed by Office management.

- (7) The objectives of this audit did not include the expression of an opinion on the comparison of budgeted with actual expenditures and commitments, which is presented on the basis specified in Chapter 216, Florida Statutes, and includes several elements and accounts relating to the Office's budgetary operations. Therefore, an independent auditor's report on the budgetary comparison, as contemplated by *AU Section 623, Special Reports, Codification of Statements on Auditing Standards*, is not included herein.

Related Audits

- (8) Our audit did not extend to an examination of the Office of the Public Defender's financial statements. On January 29, 1998, this Office issued audit report No. 13138, with accompanying general purpose financial statements of the State of Florida as of and for the fiscal year ended June 30, 1997. The Office of the Public Defender is an integral part of the reporting entity of the State of Florida. The financial information relative to the Office of the Public Defender was included by the State Comptroller in the general purpose financial statements that accompany that report. A similar audit of the general purpose financial statements of the State of Florida for the fiscal year ended June 30, 1998, will be the subject of a separate report.



CHARLES L. LESTER, CPA
AUDITOR GENERAL

STATE OF FLORIDA
AUDITOR GENERAL
TALLAHASSEE

September 29, 1998

REPORT ON COMPLIANCE AND INTERNAL CONTROL

- (9) Office of the Public Defender, Fifteenth Judicial Circuit, management is responsible for administering numerous operating units, programs, activities, functions, and classes of transactions in accordance with governing provisions of laws, administrative rules, and other guidelines. Additionally, the proper administration of public funds requires that management establish and maintain a system of internal control to provide reasonable assurance that specific entity objectives will be achieved. The Auditor General, as part of the Legislature's oversight responsibility for operations of State agencies, makes operational audits to determine the extent to which management has fulfilled those responsibilities.
- (10) The scope of this audit focused primarily on assets, liabilities, fund equities, revenues and cash receipts, expenditures and disbursements, budgetary controls, and management reporting. For each of these areas, our audit included examinations of various transactions (as well as events and conditions) during the period March 1, 1997, through February 28, 1998.
- (11) We conducted our audit in accordance with generally accepted auditing standards and applicable standards contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Our audit objectives for the operating units, programs, activities, functions, and classes of transactions within the scope of audit were:
- To evaluate the Office's performance in administering its assigned responsibilities in accordance with applicable laws, administrative rules, and other guidelines.
 - To determine the extent to which the Office's system of internal control, and selected relevant controls, promotes and encourages the achievement of management's objectives in the categories of compliance with applicable laws, administrative rules, and other guidelines; the economic and efficient operation of the Office; the reliability of financial records and reports; and the safeguarding of assets.

- To determine whether the Office has corrected, or is in the process of correcting, all deficiencies disclosed in the prior audit (report No. 13029).
- (12) As a part of our audit, we examined, on a test basis, evidence supporting transactions (as well as events and conditions) which occurred; performed analytical procedures; reviewed management's administrative constructions of law; and performed such other procedures as we considered necessary in the circumstances. Our objective was to evaluate management's compliance with significant provisions of laws, administrative rules, and other guidelines governing those operating units, programs, activities, functions, and classes of transactions within the scope of audit. However, providing an opinion on compliance with those provisions was not an objective of our audit.
- (13) The results of our tests of compliance indicated that, with respect to the items tested, the Office had generally complied with the significant provisions of laws, administrative rules, and other guidelines governing those operating units, programs, activities, functions, and classes of transactions within the scope of audit. Matters coming to our attention relating to noncompliance with various guidelines for those operations audited are noted in the ***FINDINGS AND RECOMMENDATIONS*** section of this report.
- (14) In planning and performing our audit, we considered the Office's internal control relevant to those operating units, programs, activities, functions, and classes of transactions within the scope of audit. Our purpose in considering internal control was to determine the nature, timing, and extent of substantive audit tests and procedures necessary to the accomplishment of our audit objectives, not to provide assurance on internal control.
- (15) We noted certain matters involving the design and operation of the Office's internal control that we consider to be reportable conditions. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of internal control that, in our judgment, could adversely affect management's assurance of compliance with applicable laws, administrative rules, and other guidelines; the economic and efficient operation of the Office; the reliability of financial records and reports; and the safeguarding of assets. Those matters coming to our attention for the operating units, programs, activities, functions, and classes of transactions within the scope of audit are noted in the ***FINDINGS AND RECOMMENDATIONS*** section of this report.

- (16) A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that operating deficiencies, material in relation to the financial records and resources of the operating units, programs, activities, functions, and classes of transactions being audited, may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. Our consideration of internal control would not necessarily disclose all matters in the Office's internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, we believe none of the reportable conditions described in the *FINDINGS AND RECOMMENDATIONS* section of this report is a material weakness.
- (17) This report is intended for the information of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, and applicable management. Copies of this report are available pursuant to Section 11.45(7), Florida Statutes, and its distribution is not limited.

Respectfully submitted,



Charles L. Lester, CPA
Auditor General

FINDINGS AND RECOMMENDATIONS

- (18) Chapter 27, Part III, Florida Statutes, provides general authority for the financial administration of the Office of the Public Defender. In addition, the Florida Public Defender Association, Inc., has provided guidance for the financial administration of the Office of the Public Defender. Such guidance includes the adoption of the *Classification and Pay Procedures for the Employees of the Public Defender Offices of the State of Florida*, pursuant to the provisions of Section 27.53(1), Florida Statutes, and the adoption of the *Public Defender Uniform Purchasing Manual*, as required by Chapter 82-215, Laws of Florida. Our detailed findings and recommendations concerning noncompliance with governing laws, administrative rules, and other guidelines as well as those detailed findings and recommendations concerning deficiencies in the design or operation of the system of internal control for those operations audited are presented under appropriate subheadings below.

Contractual Services

- (19) For a \$40,000 contract requiring a consultant to consult and advise on State funding methods for public defenders, Office of the Public Defender records did not clearly demonstrate the nature and extent of the services provided. Further, although Office management indicated that the consultant never represented the Office before the Legislature, the Office's Special Administrator (a registered lobbyist for the 1997 legislative session) indicated that the consultant provided advice, assistance, and specific direction to the Special Administrator regarding Office communications with the Legislature relating to funding issues. Under these circumstances, we believe that the Public Defender should seek the advice of the Attorney General as to whether the payments for the consultant services provided represented, contrary to the prohibition of Section 11.062(1), Florida Statutes, the use of State funds for lobbying purposes.
- (20) In performing our audit, we noted that the Office of the Public Defender had entered into a contract with a consultant requiring the consultant to consult and advise, as requested, on evaluating current State funding methods for public defenders and developing strategies for more equitably allocating State funds to the public defenders. The contract required that the consultant provide the Public Defender with a written report of the activities performed relevant to the contract at any time upon request. The contract also required that the consultant be paid \$5,000 each month and that travel expenses be reimbursed subject to the limitations of

Section 112.061, Florida Statutes. The contract was effective March 5, 1997, and continued through November 15, 1997. A total of \$40,000 was paid to the consultant pursuant to the contract.

- (21) To facilitate a demonstration of the nature and extent of the work performed by consultants, it is customary that contracts for consulting services include provisions requiring the consultant to submit reports and/or detailed invoices describing the particular tasks performed by the consultant and, in some instances, the hours worked by consultant personnel and the respective hourly billing rates. As indicated above, the contract between the Office of the Public Defender and the consultant properly included provisions requiring the consultant, upon request, to report on the activities performed relevant to the contract. However, Office records did not clearly demonstrate the nature and extent of the services provided. Specifically, the Office had not requested a written report on the activities performed and, other than a draft memorandum presenting a preliminary discussion and evaluation of the public defender funding process, Office records provided for our review did not include the consultant's description of the particular activities performed. We also noted that the invoices submitted by the consultant did not provide an itemization of the work performed or the hours worked relative to the contract.
- (22) Section 11.062(1), Florida Statutes, prohibits the use of State funds for lobbying purposes. As noted above, the contract required the consultant to consult and advise, as requested, on evaluating current State funding methods for public defenders. Office management indicated that the consultant never represented the Office before the Legislature. However, in response to audit inquiry, the Office's Special Administrator indicated that the consultant, in performing the contracted services, provided advice, assistance, and specific direction to the Special Administrator regarding Office communications with the Legislature regarding funding issues. It is our understanding that the Special Administrator represented the Office as a registered lobbyist for the 1997 legislative session. Under these circumstances, the payments for the consultant services may have represented, contrary to the prohibition of Section 11.062(1), Florida Statutes, the use of State funds for lobbying purposes.
- (23) We understand that, at times, the Office of the Public Defender may require the services of consultants to assist the Office in accomplishing, within the framework of the laws governing the Office, the authorized purposes of the Office. However, for future consultant contracts, we

recommend that the Office obtain from consultants the information necessary to fully document the nature and extent of the services provided. Also, we believe that the Public Defender should seek the advice of the Attorney General as to whether the payments for the consultant services provided represented, contrary to the prohibition of Section 11.062(1), Florida Statutes, the use of State funds for lobbying purposes.

Tangible Personal Property

- (24) As similarly noted in audit report No. 13029, paragraphs 20 through 24, our audit tests disclosed that the Office of the Public Defender had not taken appropriate actions to dispose of a significant number of stored tangible personal property items that appeared to be eligible for classification as surplus to the needs of the Office. The recorded costs of these items totaled approximately \$51,595. Our tests also disclosed two tangible personal property items, whose values totaled \$1,598, that were not tagged and recorded in the property records. Additionally, our audit tests disclosed that the recorded costs of two other items were undervalued by \$2,842. As a result, Office property records did not properly reflect the costs of the tangible personal property actually used in the conduct of the Office's assigned responsibilities.
- (25) Chapter 273, Florida Statutes, and Chapter 10.300, Rules of the Auditor General for State-Owned Tangible Personal Property (Rules of the Auditor General), prescribe the control procedures and records for establishing accountability for tangible personal property. Tangible personal property, as defined by Section 273.02, Florida Statutes, includes furniture and equipment of a nonconsumable and nonexpendable nature, the value of which is \$500 or more, and the normal expected life of which is one year or more. As of June 30, 1997, the recorded costs of Office tangible personal property totaled approximately \$600,782. Our tests of Office tangible personal property records and related internal control procedures disclosed the following:
- Sections 273.05 and 273.055, Florida Statutes, and Section 10.365, Rules of the Auditor General, specify the procedures to be followed for identifying and administering surplus property. Section 273.05(1), Florida Statutes, provides that the custodian of tangible personal property shall have the discretion to classify as surplus any property that is obsolete or the continued use of which is uneconomical or inefficient or which serves no useful function as to any activity or location under the custodian's supervision. The custodian shall maintain records of property that is certified as surplus with information

indicating the value and condition of the property. Upon classification of a property item as surplus, the custodian may lawfully dispose of the property as provided in Chapter 273, Florida Statutes.

As of February 28, 1998, the Office of the Public Defender was storing numerous items of tangible personal property, with recorded costs totaling approximately \$51,595, in office space provided by Palm Beach County. As similarly noted in audit report No. 13029, paragraphs 20 through 24, a significant number of these property items appeared to be eligible for classification as surplus to the needs of the Office; however, the Office had not taken appropriate actions to classify and record the property items as surplus property so that unneeded property could be properly disposed of in an expeditious manner. We did note that the Office had significantly reduced the number and value of tangible personal property items stored in the prior year; however, property items stored in the prior year totaling \$23,521 still remained in storage. According to Office personnel, the stored property items consisted primarily of computers, typewriters, and other office equipment that had been moved to vacant offices because the items were broken and could provide spare parts for other items still in operation. Absent the Office's classification of these items as surplus, Office active tangible personal property records did not properly reflect the costs (overstated by approximately \$51,595 as of February 28, 1998) of tangible personal property actually used in the conduct of the Office's assigned responsibilities, and the Office continued to incur the direct and indirect costs (e.g., loss of use of office space, continued depreciation of salvage value, etc.) of storing the surplus items.

- Section 273.02, Florida Statutes, provides that each item of property for which it is practicable to identify by marking shall be marked in the manner required by the Auditor General. Also, each custodian shall maintain an adequate record of property in his or her custody, which record shall contain such information as shall be required by the Auditor General. Section 10.360, Rules of the Auditor General, requires that each item of property be permanently marked, if practicable, to establish its identity and ownership by the agency holding title to the item. Acceptable marking methods include, but are not limited to, bar code labels, indelible ink, metal tags, and paint. Section 10.350, Rules of the Auditor General, requires that each item of property be accounted for in a separate property record that includes certain information related to the item (e.g., identification

number, description, physical location, manufacturer, date acquired, cost or value at date of acquisition, etc.).

In conducting our audit tests, we noted that, on February 4, 1998, the Office purchased two file cabinets at a unit price of \$799. However, contrary to Section 273.02, Florida Statutes, the items were not tagged or included on the property records as of May 19, 1998. Office personnel stated that the file cabinets were to be returned to the vendor but management later decided to keep them. Office personnel further stated that the property records clerk was not notified of the final decision to keep the file cabinets and, as a consequence, the file cabinets were not tagged or added to the property records.

- Section 10.340(d), Rules of the Auditor General, provides, “In determining cost, the value of property exchanged by an agency in satisfaction of a portion of the purchase price of new property shall not be deducted from the price which would have been paid had the previously owned property not been ‘traded-in’ on the new property.” During the audit period, the Office purchased two copiers at a unit cost of \$13,371, less a trade-in allowance of \$1,421 for a net cash price of \$11,950 each. Our review of the property records disclosed that, contrary to the requirements of Section 10.340(d), Rules of the Auditor General, these two items were recorded at the net cash price of \$11,950 each. The exclusion of trade-in values from the amounts recorded resulted in a \$1,421 understatement of the actual cost of each of the items. The total understatement resulting from these errors totaled \$2,842.

(26) So that Office active tangible personal property records may better reflect the costs of State-owned tangible personal property actually used in the conduct of the Office's assigned responsibilities and so that the Office may avoid any future costs associated with the continued custody of stored property items, we again recommend that Office management continue efforts to determine whether stored property items are of any practical use to Office operations and, as appropriate, classify the property as surplus so that timely dispositions can be made. We also recommend that the Office enhance its procedures to ensure that purchased property items are marked to show State ownership and are properly and timely recorded in the tangible personal property records.

Prior Audit Findings

- (27) For those operating units, programs, activities, functions, and classes of transactions within the scope of this audit, the Office of the Public Defender has substantially corrected the deficiencies noted in audit report No. 13029, except as noted in the preceding paragraphs of this report.

STATEMENT FROM AUDITED OFFICIAL

- (28) In accordance with the provisions of Section 11.45(7)(d), Florida Statutes, a list of audit findings and recommendations was submitted to the Office of the Public Defender, Fifteenth Judicial Circuit. The Public Defender's written response to the audit findings and recommendations included in this report is shown as Exhibit D.

EXHIBITS

The following Exhibits are attached to and form an integral part of this report:

[EXHIBIT - A](#) ***Comparison of Budgeted With Actual Expenditures and Commitments - By State Fund Type.***

[EXHIBIT - B](#) ***Notes to Comparison of Budgeted With Actual Expenditures and Commitments - By State Fund Type.***

[EXHIBIT - C](#) ***Organizational Chart.***

[EXHIBIT - D](#) ***Statement from Audited Official.***

EXHIBIT – A
OFFICE OF THE PUBLIC DEFENDER
FIFTEENTH JUDICIAL CIRCUIT
COMPARISON OF BUDGETED WITH ACTUAL
EXPENDITURES AND COMMITMENTS – BY STATE FUND TYPE
For the Fiscal Year Ended June 30, 1997

Fund Type/ Appropriation Category	Final Operating Budget	Actual Expenditures of Current Appropriations	Other Commitments of Budgeted Resources	Total Expenditures and Other Commitments of Current Appropriations	Variance - Favorable (Unfavorable)
GENERAL REVENUE FUND					
Trial Division					
Current:					
Salaries and Benefits	\$ 7,036,051.00	\$ 7,035,844.76	\$ -	\$ 7,035,844.76	\$ 206.24
Other Personal Services	285,608.00	285,608.00	-	285,608.00	-
Expenses	327,232.00	327,232.00	-	327,232.00	-
Data Processing Services	640.00	640.00	-	640.00	-
Operating Capital Outlay	42,195.00	42,195.00	-	42,195.00	-
Special Category:					
Public Defenders - Law Library	<u>24,924.00</u>	<u>24,923.13</u>	<u>-</u>	<u>24,923.13</u>	<u>0.87</u>
Total Trial Division	<u>7,716,650.00</u>	<u>7,716,442.89</u>	<u>-</u>	<u>7,716,442.89</u>	<u>207.11</u>
Appellate Division					
Current:					
Salaries and Benefits	2,181,177.43	2,181,177.43	-	2,181,177.43	-
Other Personal Services	33,228.00	33,228.00	-	33,228.00	-
Expenses	78,132.57	78,132.57	-	78,132.57	-
Data Processing Services	87.00	87.00	-	87.00	-
Operating Capital Outlay	1,290.00	1,290.00	-	1,290.00	-
Special Category:					
Public Defenders - Law Library	<u>300.00</u>	<u>300.00</u>	<u>-</u>	<u>300.00</u>	<u>-</u>
Total Appellate Division	<u>2,294,215.00</u>	<u>2,294,215.00</u>	<u>-</u>	<u>2,294,215.00</u>	<u>-</u>
TOTAL GENERAL REVENUE FUND	<u>\$10,010,865.00</u>	<u>\$10,010,657.89</u>	<u>\$ -</u>	<u>\$10,010,657.89</u>	<u>\$ 207.11</u>

The accompanying notes to this Exhibit describe in more detail the information included in this comparison.

EXHIBIT – B
OFFICE OF THE PUBLIC DEFENDER
FIFTEENTH JUDICIAL CIRCUIT
NOTES TO COMPARISON OF BUDGETED WITH ACTUAL
EXPENDITURES AND COMMITMENTS – BY STATE FUND TYPE
For the Fiscal Year Ended June 30, 1997

- (1) The following procedures are used in adopting, amending, and reporting budgets and budgetary data:
- Section 216.011(1)(kk), Florida Statutes, indicates that for purposes of Chapter 216, Florida Statutes, Public Defenders are to be considered State agencies. Accordingly, budgets are prepared and submitted to the Legislature in the form and manner prescribed by Chapter 216, Florida Statutes, for State agencies.
 - As provided by Section 27.60, Florida Statutes, limited transfers of expenditure authority may be made by the Public Defender.
 - Budgetary information is integrated into the accounting system.
 - In accordance with Chapter 216, Florida Statutes, annual appropriations are used for: (1) authorized expenditures incurred during the current fiscal year; (2) encumbrances outstanding at year-end approved for liquidation in the subsequent year; and (3) legal, due, and unpaid obligations relating to the prior year which were not requested and/or approved to be liquidated from appropriations of the prior year.
- (2) Because the budgetary basis of accounting for operating categories described in Chapter 216, Florida Statutes, requires recognition of amounts which are in addition to those used to recognize and report expenditures in accordance with generally accepted accounting principles, the expenditures and commitments presented on Exhibit A have been shown on a basis comparable to the budget. To present these data on a basis comparable to the budget, accrual basis expenditures paid from or charged to 1996-97 fiscal year appropriations have been shown in the “Actual Expenditures of Current Appropriations” column. Since there were no encumbrances at June 30, 1997, which were approved for certification forward to be paid in the 1997-98 fiscal year, no amounts are shown in the “Other Commitments of Budgeted Resources” column.

EXHIBIT – B (Continued)
OFFICE OF THE PUBLIC DEFENDER
FIFTEENTH JUDICIAL CIRCUIT
NOTES TO COMPARISON OF BUDGETED WITH ACTUAL
EXPENDITURES AND COMMITMENTS – BY STATE FUND TYPE
For the Fiscal Year Ended June 30, 1997

- (3) Adjustments to reconcile the budget amounts for the operating categories shown on Exhibit A with amounts appropriated are as follows:

Description	<u>General Revenue Fund</u>	
	<u>Trial Division</u>	<u>Appellate Division</u>
Appropriated by Chapter 96-424, Laws of Florida	\$7,578,593	\$2,267,184
Changes Authorized by the Executive Office of the Governor	<u>138,057</u>	<u>27,031</u>
Total Final Operating Budget, Exhibit A	<u>\$7,716,650</u>	<u>\$2,294,215</u>

EXHIBIT – C
OFFICE OF THE PUBLIC DEFENDER
FIFTEENTH JUDICIAL CIRCUIT
ORGANIZATIONAL CHART
As of June 30, 1997

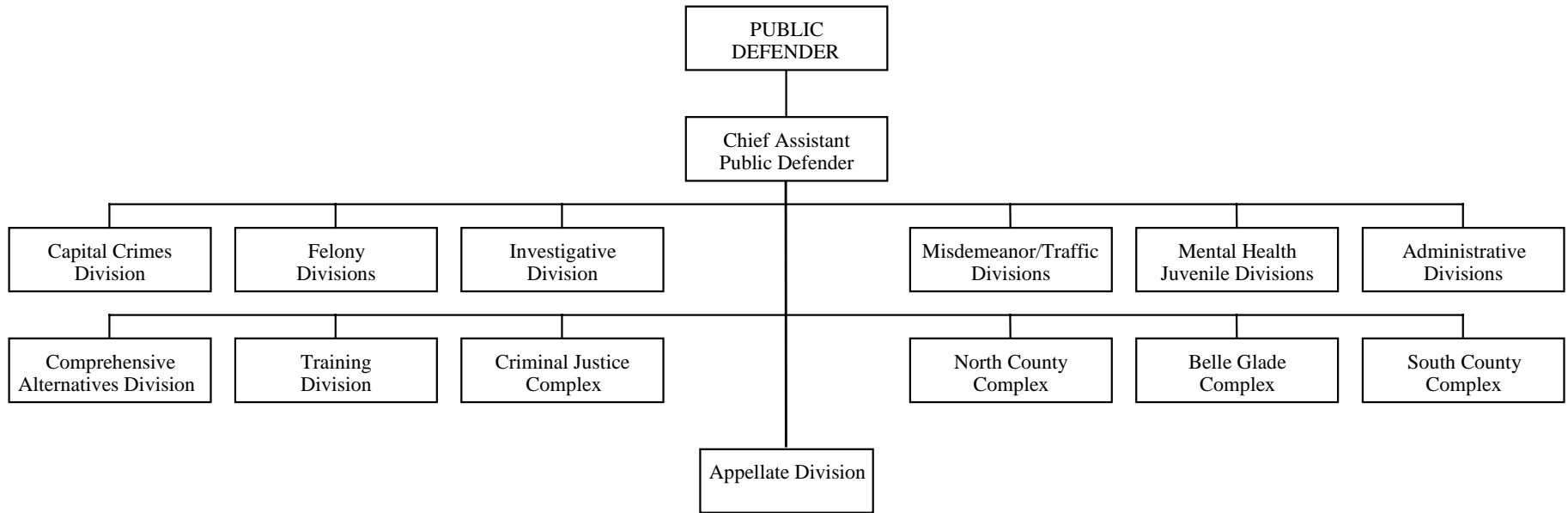


EXHIBIT - D
OFFICE OF THE PUBLIC DEFENDER
FIFTEENTH JUDICIAL CIRCUIT
STATEMENT FROM AUDITED OFFICIAL
For the Period March 1, 1997, Through February 28, 1998



RICHARD L. JORANDBY
Public Defender

STATE OF FLORIDA
Office of the Public Defender
FIFTEENTH JUDICIAL CIRCUIT
CRIMINAL JUSTICE BUILDING
421 3rd Street
West Palm Beach, Florida 33401

Telephone: (561) 355-7500
FAX: (561) 355-7737

September 29, 1998

Charles L. Lester, CPA
Auditor General
Pepper Building, Room 236
111 W. Madison Street
Tallahassee, Florida 32301

Dear Mr. Lester:

This letter is in response to the preliminary and tentative audit findings and recommendations relative to your audit report of the Public Defender's Office, 15th Judicial Circuit, for the period March 1, 1997 through February 28, 1998.

Audit
Report
Par. No.

(19-23)

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Contractual Services

As to the findings on page 2-3 under the heading "Contractual Services", it is the position of this office that Section 11.062(1), Florida Statutes, does not apply to the consulting services that were provided for this office. This matter was researched by our office before entering into the consulting contract. As recommended in the audit findings we have sought the Attorney General's opinion on this matter. As suggested at page 3 of the findings, this office will, for future contracts, obtain from consultants the information necessary to fully document the nature and extent of the services provided.

(24-26)

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Tangible Personal Property

Removing scrapped items from the tangible personal property involves a lengthy process. Of the reported \$51,595 surplus to date the office has removed \$28,074. The remaining balance of \$23,521 is currently being processed for removal from the inventory. When this is completed cannibalized or scrapped items will be removed from the inventory and insurance coverage adjusted.

EXHIBIT - D (Continued)
OFFICE OF THE PUBLIC DEFENDER
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For the Period March 1, 1997, Through February 28, 1998

Audit
Report
Par. No.

Mr. Charles Lester
September 29, 1998
Page -2-

(24-26)

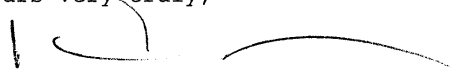
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We are installing a new system that will automatically flag an OCO item to be tagged and placed on the inventory when it is processed for payment.

Trading in two obsolete copiers was an isolated incident. In the future, we will comply with Section 10.340(d) Rules of the Auditor General.

My staff and I appreciate the courtesy and professionalism of your auditors assigned to this circuit and find their suggestions helpful and reassuring in our mutual pursuit of effective and efficient public service.

Yours very truly,



RICHARD L. JORANDBY
Public Defender

RLJ:rr