

**STATE OF FLORIDA
AUDITOR GENERAL**



*OPERATIONAL AUDIT
OF THE*

*OFFICE OF THE PUBLIC DEFENDER
NINETEENTH JUDICIAL CIRCUIT*

For the Period January 1, 1998, Through December 31, 1998

STATE OF FLORIDA

AUDITOR GENERAL

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CHARLES L. LESTER, CPA
AUDITOR GENERAL

**STATE OF FLORIDA
AUDITOR GENERAL
TALLAHASSEE**

April 28, 1999

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,
NINETEENTH JUDICIAL CIRCUIT,***

For the Period January 1, 1998, Through December 31, 1998.

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

Respectfully submitted,

A handwritten signature in cursive script that reads "Charles L. Lester".

Charles L. Lester
Auditor General

Audit supervised by:
Ida Marie Westbrook

Audit made by:
Derek H. Noonan

**OPERATIONAL AUDIT
OF THE
OFFICE OF THE PUBLIC DEFENDER
NINETEENTH JUDICIAL CIRCUIT
For the Period January 1, 1998, Through December 31, 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) Diamond R. Litty is the Public Defender of the Nineteenth Judicial Circuit. The Public Defender of the Nineteenth Judicial Circuit is responsible for performing the duties described above, as provided by law, in Indian River, Martin, Okeechobee, and St. Lucie Counties. Offices are maintained at Vero Beach in Indian River County, Stuart in Martin County, Okeechobee in Okeechobee County, and Fort Pierce in St. Lucie County. At June 30, 1998, the Office of the Public Defender employed 50 people in 57.5 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, Nineteenth Judicial Circuit, was funded by State appropriations for the 1997-98 and 1998-99 fiscal years, respectively, pursuant to Chapters 97-152 and 98-422, Laws of Florida, the General Appropriations Acts. The following is a summary of released appropriations by appropriation category for the 1997-98 fiscal year:

<u>Appropriation Category</u>	<u>Amount Released</u>
Salaries and Benefits	\$ 2,430,647
Other Personal Services	16,993
Expenses	261,157
Data Processing Services	51,000
Operating Capital Outlay	77,637
Special Category:	
Public Defenders - Law Library	6,694
Risk Management Insurance	63,475
Transfer to State Employees' Health Insurance Trust Fund	<u>24,857</u>
Total	<u>\$ 2,932,460</u>

- (4) As required by Section 27.54, Florida Statutes, the counties which compose the Nineteenth 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 1997-98 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 1997-98 General Appropriations Act, as further described in the notes to the Exhibit. The Exhibit was prepared by us from the Office's 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.

Year 2000 Compliance

- (8) The Office of the Public Defender is responsible for assessing the effects of the Year 2000 compliance issue on its significant information technology systems and processes and taking appropriate remedial action. Generally, the Year 2000 compliance issue arises from concerns that information technology systems and processes will not be year 2000 compliant at January 1, 2000. Year 2000 compliant information technology systems and processes are those that are capable of successfully processing year-date data beyond the year 1999. The Office has reported progress toward achieving Year 2000 compliance in its information technology resources.
- (9) Pursuant to an interlocal agreement, St. Lucie Automated Services (a division of St. Lucie County government) provides all computer-related services to the Office of the Public Defender, Nineteenth Judicial Circuit. In response to audit inquiry, Office management indicated that St. Lucie Automated Services was being relied on to ensure that the computer system resources are Year 2000 compliant. Office management and St. Lucie Automated Services management have indicated that, based on the tests performed, computer system resources applicable to the Office's operations are Year 2000 compliant.
- (10) Because of the unprecedented nature of the Year 2000 issue, its operational effects and the success of related remediation efforts will not be fully determinable until the Year 2000 and thereafter. Accordingly, we do not provide assurance with regard to the representations made by Office management relative to Year 2000 compliance status. Further, we do not provide

assurance that the Office is or will be Year 2000 ready, that the Office's Year 2000 remediation efforts will be successful in whole or in part, or that parties with which the Office does business will be Year 2000 ready.

Related Audits

- (11) Our audit did not extend to an examination of the Office of the Public Defender's financial statements. On February 17, 1999, this Office issued audit report No. 13393, with accompanying general purpose financial statements of the State of Florida as of and for the fiscal year ended June 30, 1998. 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 ending June 30, 1999, will be the subject of a separate audit report.



CHARLES L. LESTER, CPA
AUDITOR GENERAL

STATE OF FLORIDA
AUDITOR GENERAL
TALLAHASSEE

April 26, 1999

REPORT ON COMPLIANCE AND INTERNAL CONTROL

- (12) Office of the Public Defender, Nineteenth 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.
- (13) The scope of this audit focused primarily on assets, liabilities, fund equities, revenues and cash receipts, expenditures and disbursements, budgetary controls, management reporting, and motor vehicle assignment and use. For each of these areas, our audit included examinations of various transactions (as well as events and conditions) during the period January 1, 1998, through December 31, 1998.
- (14) 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.

- (15) 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, and accordingly, we do not express such an opinion.
- (16) 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.
- (17) 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.
- (18) Our consideration of internal control would not necessarily disclose all matters in the Office's internal control that might be material weaknesses. 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. We noted no matters involving the system of internal control and its operation that we consider to be material weaknesses.

- (19) 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,

A handwritten signature in black ink, appearing to read "Charles L. Lester". The signature is written in a cursive style with a large initial "C".

Charles L. Lester, CPA
Auditor General

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.***

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EXHIBIT – A
OFFICE OF THE PUBLIC DEFENDER
NINETEENTH JUDICIAL CIRCUIT
COMPARISON OF BUDGETED WITH ACTUAL
EXPENDITURES AND COMMITMENTS – BY STATE FUND TYPE
For the Fiscal Year Ended June 30, 1998

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					
Current:					
Salaries and Benefits	\$ 2,430,647.00	\$ 2,429,792.75	\$ -	\$ 2,429,792.75	\$ 854.25
Other Personal Services	16,993.00	16,834.52	-	16,834.52	158.48
Expenses	261,157.00	237,443.80	21,356.89	258,800.69	2,356.31
Data Processing Services	51,000.00	38,095.27	12,576.00	50,671.27	328.73
Operating Capital Outlay	77,637.00	19,000.00	56,836.55	75,836.55	1,800.45
Special Category:					
Public Defenders - Law Library	6,694.00	5,903.88	194.00	6,097.88	596.12
Risk Management Insurance	63,475.00	63,475.00	-	63,475.00	-
Transfer to State Employees' Health Insurance Trust Fund	<u>24,857.00</u>	<u>24,857.00</u>	<u>-</u>	<u>24,857.00</u>	<u>-</u>
TOTAL GENERAL REVENUE FUND	<u>\$ 2,932,460.00</u>	<u>\$ 2,835,402.22</u>	<u>\$ 90,963.44</u>	<u>\$ 2,926,365.66</u>	<u>\$ 6,094.34</u>

EXHIBIT – B
OFFICE OF THE PUBLIC DEFENDER
NINETEENTH JUDICIAL CIRCUIT
NOTES TO COMPARISON OF BUDGETED WITH ACTUAL
EXPENDITURES AND COMMITMENTS – BY STATE FUND TYPE
For the Fiscal Year Ended June 30, 1998

- (1) The following procedures are used in adopting, amending, and reporting budgets and budgetary data:
- Section 216.011(1)(mm), 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 1997-98 fiscal year appropriations have been shown in the “Actual Expenditures of Current Appropriations” column. Additionally, encumbrances at June 30, 1998, which were approved for certification forward to be paid in the 1998-99 fiscal year are shown in the “Other Commitments of Budgeted Resources” column.

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

Description	General Revenue Fund
Appropriated by Chapter 97-152, Laws of Florida	\$ 2,813,286
Changes Authorized by the Executive Office of the Governor	<u>119,174</u>
Total Final Operating Budget, Exhibit A	<u>\$ 2,932,460</u>

EXHIBIT – C
OFFICE OF THE PUBLIC DEFENDER
NINETEENTH JUDICIAL CIRCUIT
ORGANIZATIONAL CHART
As of December 31, 1998

