

**STATE OF FLORIDA
AUDITOR GENERAL**



*OPERATIONAL AUDIT
OF THE*

*OFFICE OF THE STATE ATTORNEY
FOURTH JUDICIAL CIRCUIT*

For the Period March 1, 1998, Through February 28, 1999

STATE OF FLORIDA

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CHARLES L. LESTER, CPA
AUDITOR GENERAL

STATE OF FLORIDA
AUDITOR GENERAL
TALLAHASSEE

August 10, 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 STATE ATTORNEY,
FOURTH JUDICIAL CIRCUIT,***

For the Period March 1, 1998, Through February 28, 1999.

The results of the audit of the Office of the State Attorney are presented herewith.

Respectfully submitted,

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

Charles L. Lester
Auditor General

Audit supervised by:
James M. McKoy, Sr.

Audit made by:
David T. Ward

***OPERATIONAL AUDIT
OF THE***

***OFFICE OF THE STATE ATTORNEY
FOURTH JUDICIAL CIRCUIT
For the Period March 1, 1998, Through February 28, 1999***

AUDIT REPORT SUMMARY

This audit report summary highlights the scope, objectives, methodology, and findings of audit report No. 13527. 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 State Attorney, Fourth Judicial Circuit, focused primarily on assets, liabilities, fund equities, revenues and cash receipts, expenditures and disbursements, budgetary controls, management reporting, motor vehicle assignment and use, Racketeer Influenced and Corrupt Organization (RICO) Act cases, and Forfeiture and Investigative Support Trust Fund (FIST) activities. For each of these areas, our audit included examinations of various transactions (as well as events and conditions) during the period March 1, 1998, through February 28, 1999.

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 related deficiencies in the design or operation of the internal control for those operations audited are as follows:

Worthless Check Diversion Program

The Office of the State Attorney did not always timely deposit Worthless Check Diversion Program collections. Our test of 15 deposit transactions totaling approximately \$200,300 disclosed that collections totaling approximately \$15,100 were not timely deposited. The failure to timely deposit collections increases the risk of loss or theft. (See [paragraphs 23](#) through 26.)

Special Pay Increases

The Office's practice of authorizing special pay increases to compensate employees for travel expenses that result when the Office designates the official headquarters of the employees as a location other than their routine place of work may not be consistent with the provisions of Section 112.061, Florida Statutes. The Office should seek an opinion of the Attorney General as to whether this practice is consistent with the travel laws of the State. (See [paragraphs 27](#) through 30.)

The State Attorney's written response to the audit findings and recommendations included in audit report No. 13527 is presented as [Exhibit D](#).

**OPERATIONAL AUDIT
OF THE
OFFICE OF THE STATE ATTORNEY
FOURTH JUDICIAL CIRCUIT
For the Period March 1, 1998, Through February 28, 1999**

Par.
No.

BACKGROUND

Authority

- (1) Section 27.01, Florida Statutes, provides that there shall be a State Attorney 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 State Attorney as prescribed by Chapter 27, Part II, Florida Statutes, include prosecuting or defending on behalf of the State in circuit and county courts all suits, applications, or motions, civil or criminal, in which the State is a party; attending the grand jury for the purpose of examining witnesses in their presence, giving legal advice in any matter before them, and preparing bills of indictment; summoning and examining witnesses required on behalf of the State; assisting the Attorney General in the preparation and presentation of all appeals to the Supreme Court, from the circuit court of the Fourth Judicial Circuit, of all cases, civil or criminal, in which the State is a party; and representing the State in all cases of habeas corpus arising in the Fourth Judicial Circuit and in cases of preliminary trials of persons charged with capital offenses.

Organizational Structure

- (2) Harry L. Shorstein is the State Attorney of the Fourth Judicial Circuit. The State Attorney of the Fourth Judicial Circuit is responsible for performing the duties described above, as provided by law, in Clay, Duval, and Nassau Counties. Offices are maintained at Green Cove Springs in Clay County, Jacksonville in Duval County, and Yulee in Nassau County (the Nassau County office was moved from Fernandina Beach effective February 12, 1999). At June 30, 1998, the Office of the State Attorney employed 300 people in 310 full-time equivalent positions to perform the duties of the Office. An organizational chart of the Office of the State Attorney is presented as [Exhibit C](#).

(3) The Office of the State Attorney, Fourth Judicial Circuit, was funded primarily 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 General Revenue appropriations by appropriation category for the 1997-98 fiscal year:

Appropriation Category	Amount Released
Salaries and Benefits	\$ 13,550,788
Other Personal Services	56,300
Expenses	310,462
Operating Capital Outlay	122,941
Special Category:	
Risk Management Insurance	100,848
Salary Incentive Payments	28,806
State Attorneys - Law Library	49,020
Transfer to State Employees' Health Insurance Trust Fund	<u>137,165</u>
Total	<u>\$ 14,356,330</u>

(4) As required by Section 27.34(2), Florida Statutes, the counties which compose the Fourth Judicial Circuit provided facilities and services to the Office of the State Attorney. These facilities and services included office space, utilities, telephone service, and other support as itemized in Section 27.34(2), Florida Statutes.

(5) The State Attorney's salary was governed by Section 27.35, Florida Statutes, and applicable General Appropriations Acts of the Legislature. Section 27.181(4), Florida Statutes, provides that the salary for each assistant state attorney shall be set by the State Attorney at an amount not to exceed 100 percent of the State Attorney's salary. The *Classification and Pay Plan for the Employees of the Offices of the State Attorneys of the State of Florida*, promulgated by the Florida Prosecuting Attorney's Association, Inc., as required by Section 27.25(1), Florida Statutes, was used to set the salary ranges for the several classes of employees.

(6) A comparison of the Office of the State Attorney'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 State Attorney.

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 State Attorney 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, the Information Technologies Division (a division of the City of Jacksonville) provides computer-related, case-tracking services to the Office of the State Attorney, Fourth Judicial Circuit. In response to audit inquiry, Office management indicated that the Information Technologies Division is being relied on to ensure that computer system resources related to the case-tracking services are Year 2000 compliant and that efforts are being made to ensure that all computer system resources applicable to the Office's operations will be Year 2000 compliant by September 30, 1999.
- (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 the 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 State Attorney'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 State Attorney is an integral part of the reporting entity of the State of Florida. The financial information relative to the Office of the State Attorney 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, 1999, will be the subject of a separate audit report.

- (12) Our audit did not extend to an examination of Federal awards administered by the Office of the State Attorney under contract and grant agreements to finance specific programs and projects. On June 3, 1999, this Office issued audit report No. 13490, presenting the results of our Statewide audit of Federal awards administered by the State of Florida for the fiscal year ended June 30, 1998. Federal awards administered by the Office of the State Attorney were included in the scope of that audit. A similar audit of the Federal awards administered by the State of Florida for the fiscal year ended June 30, 1999, will be the subject of a separate audit report.



CHARLES L. LESTER, CPA
AUDITOR GENERAL

STATE OF FLORIDA
AUDITOR GENERAL
TALLAHASSEE

August 6, 1999

REPORT ON COMPLIANCE AND INTERNAL CONTROL

- (13) Office of the State Attorney, Fourth 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.
- (14) The scope of this audit focused primarily on assets, liabilities, fund equities, revenues and cash receipts, expenditures and disbursements, budgetary controls, management reporting, motor vehicle assignment and use, Racketeer Influenced and Corrupt Organization (RICO) Act cases, and Forfeiture and Investigative Support Trust Fund (FIST) activities. For each of these areas, our audit included examinations of various transactions (as well as events and conditions) during the period March 1, 1998, through February 28, 1999.
- (15) 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. 13017).

- (16) 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.
- (17) 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.
- (18) 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.
- (19) 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.

- (20) 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.
- (21) 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

- (22) Chapter 27, Part II, Florida Statutes, provides general authority for the financial administration of the Office of the State Attorney. In addition, the Florida Prosecuting Attorney's Association, Inc., has provided guidance for the financial administration of the Office of the State Attorney. Such guidance includes the adoption of the *Classification and Pay Plan for the Employees of the Offices of the State Attorneys of the State of Florida (Classification and Pay Plan)*, pursuant to the provisions of Section 27.25(1), Florida Statutes, and the adoption of the *State Attorney Purchasing Rules*, 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 related deficiencies in the design or operation of the system of internal control for those operations audited are presented under appropriate subheadings below.

Worthless Check Diversion Program

- (23) The Office of the State Attorney did not always timely deposit Worthless Check Diversion Program collections. Our test of 15 deposit transactions totaling approximately \$200,300 disclosed that collections totaling approximately \$15,100 were not timely deposited. The failure to timely deposit collections increases the risk of loss or theft.
- (24) Pursuant to Section 832.08, Florida Statutes, the Office of the State Attorney operates a Worthless Check Diversion Program and, pursuant to Section 832.08(4), Florida Statutes, Program participants are required to agree to pay to the Office of the State Attorney the amount of the Program fee required under Section 832.08(5), Florida Statutes, and to pay the amount of restitution due. During the audit period, the Office of the State Attorney received Worthless Check Diversion Program collections at the Clay, Duval, and Nassau County offices and then forwarded the collections to the Program office in Jacksonville for deposit. Program collections of record for the 1997-98 fiscal year and the 1998-99 fiscal year through February 28, 1999, totaled approximately \$731,600 and \$438,200, respectively.
- (25) Section 116.01, Florida Statutes, requires that funds collected by State officials shall be deposited in the State Treasury not later than seven working days from the close of the week in which the funds were received. Our test of 15 deposit transactions, totaling approximately \$200,300, for the Worthless Check Diversion Program disclosed that the collections were not

always timely deposited. In 6 instances, totaling approximately \$15,100, the deposits were not made until 17 to 67 days after the dates of collection. The failure to timely deposit collections increases the risk of loss or theft. A similar finding was noted in audit report No. 13017, paragraphs 23 through 26.

- (26) We recommend that Office management review this matter and take appropriate actions to ensure the timely deposit of Worthless Check Diversion Program collections.

Special Pay Increases

- (27) The Office's practice of authorizing special pay increases to compensate employees for travel expenses that result when the Office designates the official headquarters of the employees as a location other than their routine place of work may not be consistent with the provisions of Section 112.061, Florida Statutes. The Office should seek an opinion of the Attorney General as to whether this practice is consistent with the travel laws of the State.
- (28) The *Classification and Pay Plan* provides guidance for the administration of the Office of the State Attorney's personnel matters. Section 2.05(3) of the *Classification and Pay Plan* provides that, if unusual conditions exist which justify pay increases not provided for in Chapter 2, the State Attorney or designee may approve a special pay increase for any employee. Our analysis of special pay increases provided to Office employees disclosed that some employees were given special pay increases (ranging from \$1,500 to \$2,700 annually) that appeared to be, in substance, mileage supplements for performing work outside of the county in which they resided. In response to audit inquiry, Office personnel indicated that the amounts for these special pay increases were generally based on mileage differences; that is, the number of miles that the one-way mileage from the employee's residence to the place of work outside his/her county of residence exceeded the mileage from the employee's residence to the regular office in his/her county of residence.
- (29) While the circumstances surrounding the work assignments of the individual employees receiving the above-described special pay increases may represent unusual conditions that, pursuant to Section 2.05(3) of the *Classification and Pay Plan*, would justify the State Attorney's award of the increases, the travel expenses of public officers and employees are generally paid only pursuant to Section 112.061, Florida Statutes. Pertinent provisions of Section 112.061, Florida Statutes, include the following:

- The official headquarters of an officer or employee assigned to an office shall be the city or town in which the office is located except that the official headquarters of a person located in the field shall be the city or town nearest to the area where the majority of the person's work is performed, or such other city, town, or area as may be designated by the agency head provided that in all cases such designation must be in the best interests of the agency and not for the convenience of the person.
- When any State employee is stationed in any city or town for a period of over 30 continuous workdays, such city or town shall be deemed to be the employee's official headquarters, and he or she shall not be allowed per diem or subsistence, as provided in this section, after the said period of 30 continuous workdays has elapsed, unless this period of time is extended by the express approval of the agency head.
- The agency head may grant monthly mileage allowances in fixed amounts for use of privately owned automobiles on official business. Allowances shall be reasonable and be made on the basis of a signed statement of the traveler regarding an average typical month's travel on official business.

(30) The Office's practice of authorizing special pay increases to compensate employees for travel expenses that result when the Office designates the official headquarters of the employees as a location other than their routine place of work may not be consistent with the provisions of Section 112.061, Florida Statutes. Further, this practice may result in an inappropriate transfer of costs from the Office's expense appropriation category to the salaries and benefits appropriation category and may impact the Office's costs for employer taxes and retirement and health benefits. We recommend that the Office seek an opinion of the Attorney General as to whether the practice authorizing special pay increases to compensate employees for travel expenses is consistent with the travel laws of the State.

STATEMENT FROM AUDITED OFFICIAL

- (31) 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 State Attorney, Fourth Judicial Circuit. The State Attorney'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 STATE ATTORNEY
FOURTH 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	\$ 13,550,788.00	\$ 13,442,146.10	\$ -	\$13,442,146.10	\$ 108,641.90
Other Personal Services	56,300.00	56,300.00	-	56,300.00	-
Expenses	310,462.00	306,698.95	3,763.05	310,462.00	-
Operating Capital Outlay	122,941.00	60,400.40	61,296.07	121,696.47	1,244.53
Special Category:					
Risk Management Insurance	100,848.00	100,848.00	-	100,848.00	-
Salary Incentive Payments	28,806.00	28,806.00	-	28,806.00	-
State Attorneys - Law Library	49,020.00	49,020.00	-	49,020.00	-
Transfer to State Employees' Health Insurance Trust Fund	<u>137,165.00</u>	<u>137,165.00</u>	<u>-</u>	<u>137,165.00</u>	<u>-</u>
TOTAL GENERAL REVENUE FUND	<u>14,356,330.00</u>	<u>14,181,384.45</u>	<u>65,059.12</u>	<u>14,246,443.57</u>	<u>109,886.43</u>
TRUST FUNDS					
Grants & Donations Trust Fund					
Current:					
Salaries and Benefits	487,315.00	419,365.84	-	419,365.84	67,949.16
Other Personal Services	322,231.00	303,291.87	-	303,291.87	18,939.13
Expenses	477,171.00	425,364.99	36,114.78	461,479.77	15,691.23
Operating Capital Outlay	96,435.00	90,238.07	-	90,238.07	6,196.93
Special Category:					
Acquisition of Motor Vehicles	16,300.00	16,300.00	-	16,300.00	-
State Attorneys - Law Library	3,025.00	-	-	-	3,025.00
Transfer to State Employees' Health Insurance Trust Fund	<u>3,118.00</u>	<u>3,118.00</u>	<u>-</u>	<u>3,118.00</u>	<u>-</u>
Total Grants & Donations Trust Fund	<u>1,405,595.00</u>	<u>1,257,678.77</u>	<u>36,114.78</u>	<u>1,293,793.55</u>	<u>111,801.45</u>
Other Trust Funds					
Current:					
Other Personal Services	21,272.00	2,500.00	-	2,500.00	18,772.00
Expenses	10,000.00	380.20	-	380.20	9,619.80
Operating Capital Outlay	50,000.00	43,084.89	-	43,084.89	6,915.11
Special Category:					
Acquisition of Motor Vehicles	<u>65,200.00</u>	<u>63,172.50</u>	<u>-</u>	<u>63,172.50</u>	<u>2,027.50</u>
Total Other Trust Funds	<u>146,472.00</u>	<u>109,137.59</u>	<u>-</u>	<u>109,137.59</u>	<u>37,334.41</u>
TOTAL TRUST FUNDS	<u>1,552,067.00</u>	<u>1,366,816.36</u>	<u>36,114.78</u>	<u>1,402,931.14</u>	<u>149,135.86</u>
TOTAL FUNDS	<u>\$ 15,908,397.00</u>	<u>\$ 15,548,200.81</u>	<u>\$ 101,173.90</u>	<u>\$15,649,374.71</u>	<u>\$ 259,022.29</u>

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

EXHIBIT – B
OFFICE OF THE STATE ATTORNEY
FOURTH 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, State Attorneys 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 27.38, Florida Statutes, limited transfers of expenditure authority may be made by the State Attorney.
 - 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 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	Trust Funds
Appropriated by Chapter 97-152, Laws of Florida	\$ 13,985,444	\$ 1,423,334
Changes Authorized by the Executive Office of the Governor	<u>370,886</u>	<u>128,733</u>
Total Final Operating Budget, Exhibit A	<u>\$ 14,356,330</u>	<u>\$ 1,552,067</u>

EXHIBIT – C
OFFICE OF THE STATE ATTORNEY
FOURTH JUDICIAL CIRCUIT
ORGANIZATIONAL CHART
As of February 28, 1999

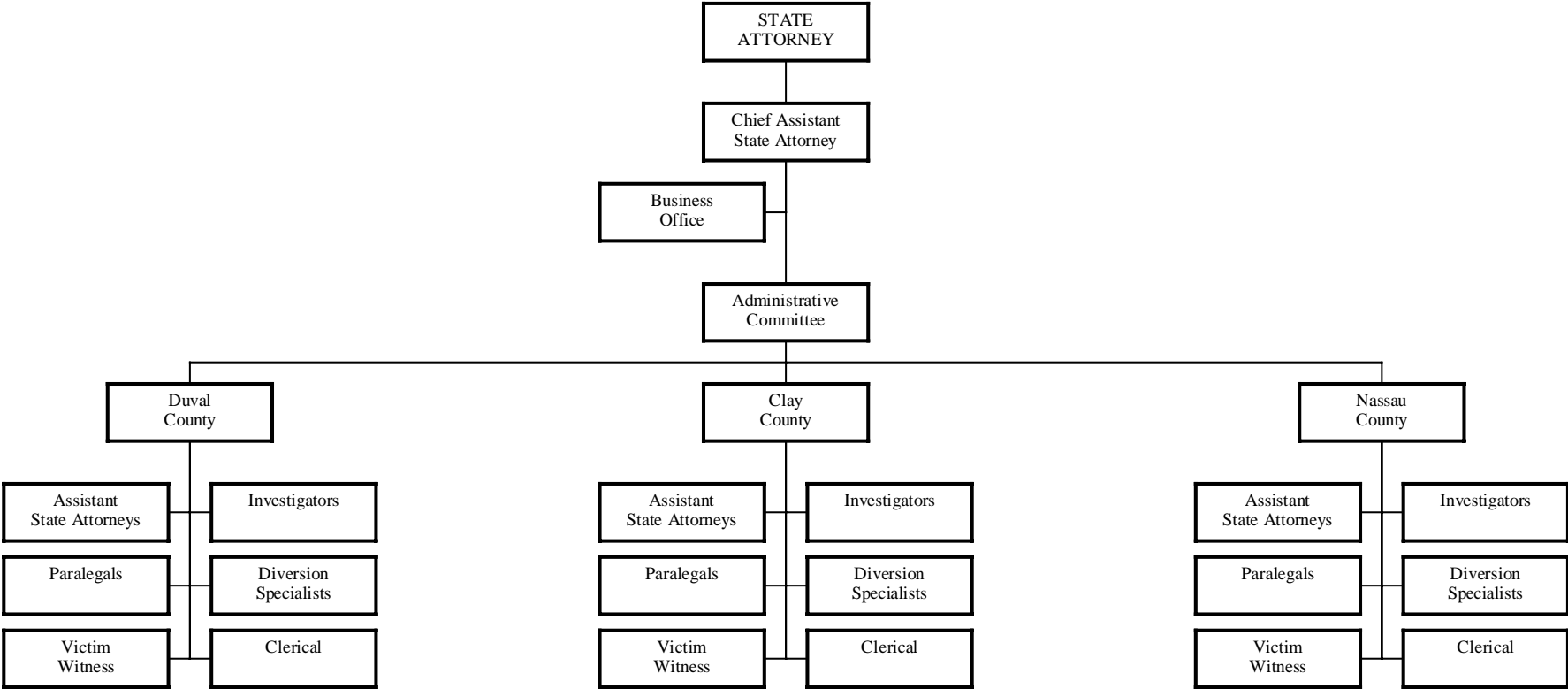


EXHIBIT – D
OFFICE OF THE STATE ATTORNEY
FOURTH JUDICIAL CIRCUIT
STATEMENT FROM AUDITED OFFICIAL
For the Period March 1, 1998, Through February 28, 1999



HARRY L. SHORSTEIN
STATE ATTORNEY

STATE ATTORNEY
FOURTH JUDICIAL CIRCUIT OF FLORIDA
DUVAL COUNTY COURTHOUSE
JACKSONVILLE, FLORIDA 32202-2982
TEL (904) 630-2400
FAX (904) 630-1113

August 6, 1999

A. JAY PLOTKIN
CHIEF ASSISTANT

Mr. Charles L. Lester
Auditor General
State of Florida
111 West Madison Street
Post Office Box 1735
Tallahassee, Florida 32302-1735

Dear Mr. Lester:

In reference to your letter of July 19, 1999 and the attached preliminary and tentative audit findings and recommendations for the period March 1, 1998, through February 28, 1999, the following is submitted.

The audit process was very instructive and we welcome your advice for improving our operations. We have taken steps to correct the problem of the Worthless Check Program collections not being deposited in a timely manner. The system previously put in place was not being adequately monitored as it now is by the Director of the Program. Regarding the Special Pay Increases, we are researching the matter and do not intend to proceed in a manner that would be considered inconsistent with the travel laws of the State.

Please accept the thanks of this office for the professional manner in which this audit was conducted.

Very truly yours,

Harry L. Shorstein

Audit
Report
Par. No.

(23-26)

↓

(27-30)

↓

HLS/jeb