



EXECUTIVE COUNCIL MEETING

December 17, 2020

JD Peacock, II
OKALOOSA COUNTY
EXECUTIVE COUNCIL CHAIR

Jeffrey R. Smith, CPA, CGMA
INDIAN RIVER COUNTY
VICE-CHAIR

Tiffany Moore Russell, Esq.
ORANGE COUNTY
SECRETARY/TREASURER



STACY BUTTERFIELD, CPA
POLK COUNTY

JOHN CRAWFORD
NASSAU COUNTY

TODD NEWTON
GILCHRIST COUNTY

LAURA E. ROTH
VOLUSIA COUNTY

HARVEY RUVIN, ESQ.
MIAMI-DADE COUNTY

RON FICARROTTA
13TH JUDICIAL CIRCUIT JUDGE
SUPREME COURT APPOINTEE

ANGELINA "ANGEL"
COLONNESO, ESQ.
MANATEE COUNTY
SENATE APPOINTEE

VACANT
HOUSE APPOINTEE

JOHN DEW
EXECUTIVE DIRECTOR

JOE BOYD
GENERAL COUNSEL

2560-102 BARRINGTON CIRCLE | TALLAHASSEE, FLORIDA 32308 | PHONE 850.386.2223 | FAX 850.386.2224 | WWW.FLCCOC.ORG

EXECUTIVE COUNCIL MEETING

December 17, 2020

Meeting time: 2:00 PM – 4:00 PM

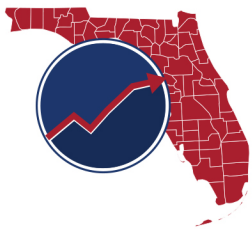
Conference Call Line: 415-655-0001; Access code: 180 383 9328

Meeting link: <https://flccoc.webex.com/flccoc/j.php?MTID=mbd607262c0cb21be63ffdb105c439c3e>

Meeting number: 180 383 9328 Password: CCOC

Call to Order.....Hon. JD Peacock
InvocationHon. John Crawford
Roll Call.....Hon. Tiffany Moore Russell

- 1) Introduction and Agenda ApprovalHon. JD Peacock
- 2) Approve Minutes from 9/29/20 MeetingHon. Tiffany Moore Russell
- 3) CCOC Contract ExtensionsHon. Tiffany Moore Russell
- 4) Budget Committee Report.....Hon. JD Peacock
- 5) PIE Committee ReportHon. Laura Roth
- 6) CCOC Annual ReportJason L. Welty
- 7) Other Business.....Hon. JD Peacock



MINUTES OF SEPTEMBER 29, 2020 EXECUTIVE COUNCIL MEETING

CALL TO ORDER, INVOCATION, AND ROLL CALL

The Executive Council Chair JD Peacock called to order the September 29, 2020 meeting of the Executive Council of the Florida Clerks of Court Operations Corporation (CCOC) at approximately 2:30 PM. Clerk Peacock thanked everyone for joining the regularly scheduled Executive Council meeting as part of the FCCC Fall Conference. He began the meeting with an invocation. Clerk Moore Russell called the roll. Council Members present during the meeting were the Honorable Clerk Peacock, Clerk Smith, Clerk Russell, Clerk Butterfield, Clerk Newton, Clerk Roth, Clerk Ruvin, Clerk Colonnese, and Judge Ficarrotta. Clerk Crawford did not attend the meeting.

1. Agenda Item 1 – Introduction and Agenda Approval

Clerk Peacock began by stating that an Executive Council meeting requires a motion to adopt the agenda. Due to the meeting's short notice, he also asked for approval to have this meeting as an Emergency meeting.

Clerk Newton made the motion to adopt the presented agenda and hold the emergency meeting. Clerk Butterfield seconded the motion. Hearing no objections, the Council adopted the motion by consent.

2. Agenda Item 2 – Approve Minutes from Meetings on 6/22/20, 6/26/20, 8/24/20

Clerk Moore Russell motioned to approve the previous meetings' minutes (06/22/20, 06/26/20, and 08/24/20). Clerk Ruvin seconded the motion. With no objections, the Council adopted the motion by consent.

3. Agenda Item 3 – Treasurer's Report

Item 3a – Update on CCOC CFY 2019-20 Office Budget through eleven months.

Clerk Russell stated that CCOC's spending this fiscal year was 66 percent compared to 82 percent for most years. Clerk Russell commended John Dew at the CCOC for his fiscal conservation.

Clerk Russell moved to approve CCOC's Budget Report, and Clerk Newton seconded the motion. The Council adopted the motion without objection.

Item 3b – Contract for Financial Service (QuickBooks)

Clerk Russell introduced the Contract for Financial Service (QuickBooks) to seek services from Brenda Sorensen. Ms. Sorensen will provide monthly reconciliation of bank statements, enter QuickBooks financial information monthly on all CCOC payments, and use QuickBooks to document and ensure all payroll related programs. She recalled that upon Mary Baker's retirement, CCOC found a need to produce a contract for financial services at least until such time that CCOC fills the position.

Clerk Russell motioned to approve the proposed contract for no more than \$17,000 annually, and Clerk Ruvin seconded the motion. Clerk Russell mentioned a need to bypass the competitive bid process due to the current circumstances and emergency need for these services. The contract would start on the day signed and run through September 29, 2021. **The Council adopted the motion without objection.**

4. Agenda Item 4 – Committee and Workgroup Reports

Agenda Item 4a – Budget Committee

Clerk Peacock asked Jason Welty to give a brief report regarding the Budget Committee. Mr. Welty explained that the Budget Committee created a base budget for the upcoming county fiscal year. The Committee used the current fiscal year amount as the starting point, reducing the base budget for non-recurring items. Then other things were added back, such as 3% for salaries and FRS costs. In creating a base budget, CCOC no longer required the Original Budget Form, a cumbersome and time-consuming form to complete. Mr. Welty's goal is to reduce the Clerk's workload from statewide reporting, and eliminating this complex form was the first step in achieving that goal. He said that he hopes the Budget Committee replicates this process in future years.

During the budget development process, Clerk Peacock asked Clerk Cooney to look at similarly situated counties. The workgroup recommended decreasing the number of peer groups from 12 to 8. The Council will be asked to approve the recommended Peer Groups.

The 67 counties requested 132 individual budget requests evaluated by a committee. The total budget requested statewide was \$455.9 M. This is \$9.1 M or 2% increase over the CFY 2019-20 operating budget. All new funding increases were denied, except for funding increases related to the statutorily required FRS increases, totaling \$5.4 M. This brought the statewide budget request to \$448.4 M or approximately a 1.21% increase over current operational budget.

Mr. Welty stated that going into this new year, it was apparent that there would not be excess money to spend or allocate. The Budget Committee created a process to distribute the available revenue. This began as a two-step process; first, an across the board reduction was taken and second, a reduction based on weighted cases statewide was taken. It was also decided that the Fiscally Constrained Counties would be held harmless from reductions. The amounts for jury were removed from the calculations first, then the approved FRS increases were added back then the two reduction calculations were implemented. Fiscally Constrained Counties that were held harmless also had the 3% salary increase from the base budget removed and were capped at the current operational budget amount. Of the total reduction required to meet the available revenue, 60% was applied across the board and 40% came from the weighted cases reduction calculation. Lastly, the jury budget authority was added back to come to the aggregate CCOC Budget Authority.

Once the budget is approved by the Executive Council, CCOC staff will distribute information regarding each county's status as Funded or Depository. Attachments 3-5 of Agenda Item 4a also include the statutorily required calculations regarding Pay and Benefit Increases, 3% above current year operational budget, and those counties 10% above Peer Group average.

Clerk Peacock thanked Mr. Welty and his team for their help in the budget work and opened the floor for questions regarding the provided report. Clerk Butterfield asked if this is regarding the budget or peer groups, or both. Clerk Peacock verified the order in which the Council would proceed, peer groups first, then the CFY 2020-21 expenditure budget. There were no questions.

Clerk Peacock requested a motion of approval regarding the peer groups created by Clerk Cooney, which the Budget Committee also reviewed. **Clerk Butterfield motioned to adopt the CCOC peer groups. Clerk Newton seconded the motion. The Council adopted the motion without objection.**

A motion to approve the limited revenue budget of \$421,700,000 was made by Clerk Newton and seconded by Clerk Butterfield. Clerk Peacock opened the floor to any Clerk with questions or concerns. Seeing no questions or concerns, Clerk Peacock asked the Council if anyone desired to debate. Clerk Peacock stated that what we are adopting here is not a needs-based budget but is limited by the available revenue budget. **The Council adopted the motion without objection.**

Clerk Peacock provided input as far as where the Budget Committee is going next. As the Committee has adopted a needs-based budget, he stated his goals for moving forward. He said that he hopes to validate the PIE Committee's work and learn how to apply it moving forward and his hope to memorialize, in a procedure, how the Budget Committee will carry out the process in the future. He then stated his intent to hold Budget Committee meetings monthly.

Clerk Butterfield agreed with Clerk Peacock for the need to validate the needs-based budget. Additionally, she stated that the services delivered in each office are essential, and as challenges arise, there should be procedures in place to overcome obstacles. She thanked Clerk Cooney for his work for auditable case counting. Clerk Butterfield hopes that with new peer groups, that the total picture will be viewed and, in doing so, use an apples-to-apples comparison.

Clerk Peacock explained that each office runs differently and how an office operates falls on the Clerk. He clarified that in no way should the budget denote how one runs an office. Clerk Butterfield stated that all offices are very complex and different. She explained that if the needs are not exact because of subsidies, the Budget Committee might not understand the precise cost to operate.

Clerk Peacock asked Mr. Welty if he wanted to weigh in on the Budget Committee report. Mr. Welty thanked everyone for their help, willingness to work together, and for their hard work. He explained that the leadership and dedication of both Clerks, Clerks' staff, and CCOC staff have helped create a smooth budget process.

Agenda Item 4b – PIE Committee

Clerk Roth provided an update on behalf of the PIE Committee of two items. She stated that the CCOC staff have placed on the CCOC website the Quarter 3 Performance Measures Report and notified Legislative staff. State statute requires CCOC to report to the Legislature the Action Plans within 45 days of each quarter's end. She provided a review of the submitted performance reports and asked if anyone had any questions about the report's results. Having no questions or comments, she addressed the second item recently reviewed by the PIE Committee at their August meeting.

Regarding the second item, Clerk Roth said the PIE Committee approved a motion to approve the weight of 1.5 for traffic citations from the current 3.0 weight. **Clerk Roth made the motion that the Council adopt this change, and Clerk Newton seconded the motion. The Council adopted the motion without objection.** Clerk Peacock thanked Clerk Roth and the other PIE Committee members for their continued work.

Agenda Item 4c – Legislative Committee

Clerk Timmann, upon Clerk Peacock's request, explained that the Legislative Committee is working with CCOC and FCCC. Working together, they are creating legislative goals, fiscal analyses, and policy initiatives. Clerk Timmann asked if Clerks are interested in participating in the CCOC Legislative or Clerks who want to offer their staff help in bill analysis should reach out to her or Mr. Welty with any questions or ideas. The Legislative Committee will meet late this year or early next year. Clerk Peacock thanked Clerk Timmann for her important work and for maintaining a strong bond between CCOC and FCCC.

Agenda Item 4d – Revenue Enhancement Committee

Clerk Peacock asked Clerk Russell if she had any updates regarding the Revenue Enhancement Committee. She said there was no official written update, but she will provide further information as necessary to the Legislative Committee if needed. Clerk Peacock thanked her.

5. Agenda Item 5 – Report on TCBC

Clerk Peacock introduced Judge Ficarrota. Judge Ficarrota reviewed the highlights from prior meetings. Clerk elect Cindy Stuart of Hillsborough County was sworn in on June 22. The TCBC has met remotely three times since the last CCOC Council meeting and focused on the SFY 2020-21 financial budget, addressing issues related to Covid-19, voting to recommend legislative budget request issues to the Supreme Court, and work on the development of a Florida Trial Court Pandemic Recovery Plan. The TCBC tentatively scheduled their next meeting for December 4.

Clerk Peacock reminded all to stay connected and work together through these topics and stated he appreciated the partnership we have with the Courts.

6. Report on Compliance Efforts with CIS

Clerk Peacock introduced Don Murphy to speak on compliance services he offers to Clerks per the current contract with the CCOC. Mr. Murphy gave an overview of the work he has been doing over the past few months. He also provided information on where Clerks and their staff could review videos and material on compliance by going to the CCOC Website and click on the "compliance corner."

7. Update on Clerks' Submitting CCOC Reports

Clerk Peacock introduced John Dew for a brief informational report on the status of the CCOC reports. John Dew had all staff work on these reports, and CCOC is up to date and on time. The Council approved the report submission policy last year. All clerks submitted their August reports by the due date of September 20, 2020. Mr. Dew plans to continue to review the policy and thanked everyone for their timely report submissions.

Clerk Peacock stated that as they continue to work with FCCC, the regional directors will work with clerks to help with timely report submissions. Clerk Peacock let CCOC staff know that he and the Executive Council are willing to help in any way they can. Clerk Peacock reminded everyone that although there are 67 independent entities, all counties can help one another in processes and procedures.

8. Other Business

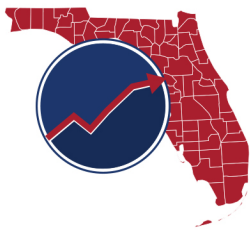
Mr. John Dew let everyone know that the next scheduled meeting is for December 23, 2020, but this date may have to be revised.

Clerk Peacock let everyone know that there may be an emergency meeting if needed due to possible funding from the state or if any COVID-19 global pandemic issues arise. He then asked for any other business.

Mr. Dew let everyone know that the Auditor General's Office is still in the process of reviewing the CCOC office. He noted they should finish the report within the next couple of months, and CCOC will provide the report at the following Council meeting.

Clerk Peacock asked if there was any other business from the Council members, and there was none. Clerk Peacock thanked everyone for a great meeting.

Clerk Peacock adjourned the meeting at 3:49 PM.



CCOC

FLORIDA CLERKS OF COURT
OPERATIONS CORPORATION

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AGENDA ITEM 3

DATE: December 17, 2020
SUBJECT: CCOC Contract Renewal
COUNCIL ACTION: Approve Extension to CCOC Contracts

OVERVIEW:

Section 28.35, (4), F.S. authorizes the CCOC to pay expenses as necessary to perform the corporation's official duties and responsibilities.

The CCOC provides an option to extend its contracts twice, provided adequate funding and performance with each contract. Six of the contracts are on their second extension, and one contract is on their first extension. Except for the Clerk Education contract with the FCCC, all vendors have agreed to their current contract rates. Staff evaluated these contracts, and the vendors agreed to extend their contracts for 2021 at their current rates. The contract extensions are attached. Click on the link for original contracts: <https://flccoc.org/contractual-services/>.

Vendor	Services Provided	Extension	Contract Rate/Deliverables
Bill Sittig	Financial & Accounting	#2	\$95/hr not to exceed \$25,000 Annually
Law, Redd, Crona & Monroe	Annual Financial Audit	#2	\$125/hr not to exceed \$15,900 Annually
Understory, LLC	Website Hosting & Management	#2	Not to exceed \$18,000 Annually
eGroupTech	IT Managed Services	#2	\$2,000/month not to exceed \$24,000 Annually
Tallahassee Cleaning Solutions	Janitorial	#2	\$95 bi-weekly not to exceed \$2,470 Annually
The Krizner Group	HR Education & Compliance	#1	\$1,425/quarter not to exceed \$5,700 Annually
FCCC*	Clerk Education	#2	Not to exceed \$334,700 Annually/Deliverables

Our Mission: As a governmental organization created by the Legislature, we evaluate Clerks' court-related budgetary needs, and recommend the fair and equitable allocation of resources needed to sustain court operations.

AGENDA ITEM 3– CCOC Contract Renewal

*FCCC Clerk Education contract is being increased by \$47,700 from \$287,000 to \$334,700. Two primary reasons for these increased costs include:

- 1) (\$28,200) for WebEx services to support CCOC meetings (est. 34), including personnel costs for prep time, hosting meetings, and recordings.
- 2) (\$26,000) for New Clerk Academy to support one additional session during 2021 compared to last year and additional costs for materials and size of meeting rooms due to a large incoming class (20 new clerks).

There are also some cost reductions because of one less regional training than last year (See attached 2021 fee schedule).

COUNCIL ACTION: Approve extension to contracts listed in this report.

LEAD STAFF: Douglas Isabelle, Deputy Executive Director

ATTACHMENTS:

1. FCCC Education Service Contract Extension & Fee Schedule
2. Bill Sittig Financial & Accounting Service Contract Extension
3. Law, Redd, Crona & Monroe Audit Service Contract Extension
4. Understory, LLC Website Hosting and Management Service Contract Extension
5. eGroupTech, IT Managed Service Contract Extension
6. Tallahassee Cleaning Solutions, Janitorial Service Contract Extension
7. The Krizner Group, HR Education & Compliance Service Contract Extension

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Extension of Contract For 2021

The initial contract between the CCOC and FCCC was dated January 1, 2019, for Clerk training & education services. FCCC was given an extension for calendar year 2020 that will expire December 31, 2020. Upon favorable evaluations FCCC has agreed to a one-year extension as offered by the CCOC Contract Manager, Douglas Isabelle that begins on January 1, 2021.

Professional Services Agreement

- 1) The parties agree to extend this contract for an additional one-year period, which will begin immediately on the expiration of the original time period and will end on December 31, 2021.
- 2) All other terms and conditions of this contract remain unchanged.
- 3) This document, including the attached original contract is the entire agreement between the parties.
- 4) The original and one of more copies of this Agreement may be executed by one or more of the parties hereto. In such event, all such executed copies shall have the same force and effect as the executed original, and all of such counterparts, taken together shall have the effect of a fully executed original.

IN WITNESS WHEREOF, this Extension of Contract has been executed by the parties hereto as of the effective date of January 1, 2021.

Florida Clerks of Court Operations Corporation

FCCC

Signature: _____
Tiffany Moore Russell, Chair
Date: _____
Witness: _____

Signature: _____
Chris Hart, Executive Director
Date: _____
Witness: _____

FCCC Education Contract

2020 Fee Schedule		
Deliverable Description	# of Events	Total Cost
Annual Training Plan	2020 Comprehensive Education Plan and Schedule	\$50,000
New Clerk Academy 1. Curriculum Report 2. Program Activity Report 3. Planning Report 4. Online Support Report	NCA – April 2020 NCA - December 2020	Reports per NCA 1. \$2,000.00 2. \$5,000.00 3. \$2,000.00 4. \$500.00 \$19,000.00
Conferences 1. Curriculum Report 2. Program Activity Report 3. Planning Report 4. Online Support Report	2020 Winter Conference 2020 Summer Conference 2020 Fall Conference	Reports per Conference 1. \$10,000.00 2. \$30,000.00 3. \$10,000.00 4. \$500.00 \$151,500.00
Regional Trainings 1. Curriculum Report 2. Program Activity Report 3. Planning Report 4. Online Support Report	2020 Finance Regional Training <ul style="list-style-type: none"> • Location, TBD • Location, TBD • Location, TBD • Location, TBD 2020 Court Operations/Records Regional Training <ul style="list-style-type: none"> • Location, TBD • Location, TBD • Location, TBD • Location TBD 	Reports per Regional Training 1. \$1,000.00 2. \$2,000.00 3. \$500.00 4. \$500.00 \$32,000.00
Workshop 1. Curriculum Report 2. Program Activity Report 3. Planning Report 4. Online Support Report	2020 FCCC Annual Leadership Orientation Workshop(s), Location(s) and Date(s), TBD	Reports per Workshop 1. \$3,000.00 2. \$7,500.00 3. \$3,000.00 4. \$750.00 \$28,500.00
Webinars 1. Curriculum Report 2. Program Activity Report 3. Planning Report 4. Online Support Report	Webinars 1-10, TBD	Reports per Webinar 1-3. \$500.00 4. \$100.00 \$6,000.00
TOTAL PROPOSED COSTS:		\$287,000.00

**The 2020 Fee Schedule includes one less New Clerk Academy, and an additional Workshop has replaced the CCOC/FCCC Joint Seminar to allow for more flexibility.*

FCCC Education Contract

2021 Fee Schedule		
Deliverable Description	# of Events	Total Cost
Annual Training Plan	2021 Comprehensive Education Plan and Schedule	\$50,000.00
WebEx Support Role	Hosting 34 meeting SUPPORTING DOCUMENTATION <ul style="list-style-type: none"> • <i>Speaker Coordination (Prep Time)</i> • <i>Time spent hosting WebEx</i> • <i>Follow-up WebEx Support</i> • <i>WebEx fees</i> 	\$28,200.00
New Clerk Academy 1. Curriculum Report 2. Program Activity Report 3. Planning Report 4. Online Support Report	NCA – April 2021 NCA – August 2021 NCA – December 2021 SUPPORTING DOCUMENTATION <ul style="list-style-type: none"> • <i>Additional NCA added</i> • <i>Increase in class members (16 additional Clerks compared to Class of 2018-2020)</i> • <i>Larger meeting space requirements</i> • <i>More materials</i> 	Reports per NCA 1. \$3,750.00 2. \$7,000.00 3. \$3,750.00 4. \$500.00 \$15,000.00 TOTAL: \$45,000.00
Conferences 1. Curriculum Report 2. Program Activity Report 3. Planning Report 4. Online Support Report	2021 Virtual Winter Conference 2021 Summer Conference 2021 Fall Conference	Reports per Conference 1. \$10,000.00 2. \$30,000.00 3. \$10,000.00 4. \$500.00 \$50,500.00 TOTAL: \$151, 500.00
Regional Trainings 1. Curriculum Report 2. Program Activity Report 3. Planning Report 4. Online Support Report	2021 Regional Training <ul style="list-style-type: none"> • Location, TBD • Location, TBD • Location, TBD • Location, TBD 	Reports per Regional Training 1. \$1,000.00 2. \$2,000.00 3. \$1,000.00 4. \$500.00 \$4,500.00 TOTAL: \$18,000.00
Workshop 1. Curriculum Report 2. Program Activity Report 3. Planning Report 4. Online Support Report	2021 FCCC Annual Leadership Orientation Workshop, TBD	Reports per Workshop 1. \$3,000.00 2. \$7,000.00 3. \$3,000.00 4. \$500.00 \$13,500.00 Total: \$27,000.00

FCCC Education Contract

Webinars 1. Curriculum Report 2. Program Activity Report 3. Planning Report 4. Online Support Report	Webinars 1-10, TBD SUPPORTING DOCUMENTATION <ul style="list-style-type: none"> • <i>Time spent on speaker prep</i> • <i>Time spent on follow-up</i> • <i>Professional Speakers can cost up to \$2,500</i> • <i>WebEx fees</i> 	Reports per Webinar 1-3. \$1,000.00 4. \$500.00 \$1,500.00 Total: \$15,000.00
TOTAL PROPOSED COSTS:		\$334,700.00

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Extension of Contract For 2021

The initial contract between the CCOC and Bill Sittig, CPA was dated January 1, 2019, for financial and accounting services. Mr. Sittig was given an extension for calendar year 2020 that will expire December 31, 2020. Upon favorable evaluation Mr. Bill Sittig has agreed to a one-year extension as offered by the CCOC Contract Manager, Douglas Isabelle that begins on January 1, 2021.

Professional Services Agreement

- 1) The parties agree to extend this contract for an additional one-year period, which will begin immediately on the expiration of the original time period and will end on December 31, 2021.
- 2) All other terms and conditions of this contract remain unchanged.
- 3) This document, including the attached original contract is the entire agreement between the parties.
- 4) The original and one of more copies of this Agreement may be executed by one or more of the parties hereto. In such event, all such executed copies shall have the same force and effect as the executed original, and all of such counterparts, taken together shall have the effect of a fully executed original.

IN WITNESS WHEREOF, this Extension of Contract has been executed by the parties hereto as of the effective date of January 1, 2021.

Florida Clerks of Court Operations Corporation

Bill Sittig, CPA

Signature: _____
Tiffany Moore Russell-Chair
Date: _____
Witness: _____

Signature: _____
Bill Sittig (owner)
Date: _____
Witness: _____

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Extension of Contract For 2021

The initial contract between the CCOC and Law, Redd, Crona & Munroe was dated January 1, 2019, for external audit services. The firm of Law, Redd, Crona & Munroe was given an extension for calendar year 2020 that will expire December 31, 2020. Upon favorable evaluation Law, Redd, Crona & Munroe has agreed to a one-year extension as offered by the CCOC Contract Manager, Douglas Isabelle that begins on January 1, 2021.

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IN WITNESS WHEREOF, this Extension of Contract has been executed by the parties hereto as of the effective date of January 1, 2021.

Florida Clerks of Court Operations Corporation

Law, Redd, Crona & Munroe

Signature: _____
Tiffany Moore Russell-Chair
Date: _____
Witness: _____

Signature: _____
(partner)
Date: _____
Witness: _____

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HARVEY RUVIN, ESQ.
MIAMI-DADE COUNTY

RON FICARROTTA
13TH JUDICIAL CIRCUIT JUDGE
SUPREME COURT APPOINTEE

**ANGELINA "ANGEL"
COLONNESO, ESQ.**
MANATEE COUNTY
SENATE APPOINTEE

VACANT
HOUSE APPOINTEE

JOHN DEW
EXECUTIVE DIRECTOR

JOE BOYD
GENERAL COUNSEL

2560-102 BARRINGTON CIRCLE | TALLAHASSEE, FLORIDA 32308 | PHONE 850.386.2223 | FAX 850.386.2224 | WWW.FLCCOC.ORG

Extension of Contract For 2021

The initial contract between the CCOC and UnderStory was dated January 1, 2019, for Website hosting and support services. UnderStory was given an extension for calendar year 2020 that will expire December 31, 2020. Upon favorable evaluation UnderStory, LLC has agreed to a one-year extension as offered by the CCOC Contract Manager, Douglas Isabelle that begins on January 1, 2021.

Professional Services Agreement

- 1) The parties agree to extend this contract for an additional one-year period, which will begin immediately on the expiration of the original time period and will end on December 31, 2021.
- 2) All other terms and conditions of this contract remain unchanged.
- 3) This document, including the attached original contract is the entire agreement between the parties.
- 4) The original and one of more copies of this Agreement may be executed by one or more of the parties hereto. In such event, all such executive copies shall have the same force and effect as the executed original, and all of such counterparts, taken together shall have the effect of a fully executed original.

IN WITNESS WHEREOF, this Extension of Contract has been executed by the parties hereto as of the effective date of January 1, 2021.

Florida Clerks of Court Operations Corporation

Under Story, LLC

Signature: _____
Tiffany Moore Russell-Chair
Date: _____
Witness: _____

Signature: _____
Eric Thomas (owner)
Date: _____
Witness: _____

JD Peacock, II
OKALOOSA COUNTY
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VICE-CHAIR

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GENERAL COUNSEL

2560-102 BARRINGTON CIRCLE | TALLAHASSEE, FLORIDA 32308 | PHONE 850.386.2223 | FAX 850.386.2224 | WWW.FLCCOC.ORG

Extension of Contract For 2021

The initial contract between the CCOC and eGroupTech, Inc was dated January 1, 2019, for IT Managed services. EGroupTech was given an extension for calendar year 2020 that will expire December 31, 2020. Upon favorable evaluation eGroupTech, Inc. has agreed to a one-year extension as offered by the CCOC Contract Manager, Douglas Isabelle that begins on January 1, 2020.

Professional Services Agreement

- 1) The parties agree to extend this contract for an additional one-year period, which will begin immediately on the expiration of the original time period and will end on December 31, 2021.
- 2) *All other terms and conditions of this contract remain unchanged.*
- 3) This document, including the attached original contract is the entire agreement between the parties.
- 4) The original and one of more copies of this Agreement may be executed by one or more of the parties hereto. In such event, all such executed copies shall have the same force and effect as the executed original, and all of such counterparts, taken together shall have the effect of a fully executed original.

IN WITNESS WHEREOF, this Extension of Contract has been executed by the parties hereto as of the effective date of January 1, 2021.

Florida Clerks of Court Operations Corporation

eGroupTech, Inc.

Signature: _____
Tiffany Moore Russell-Chair
Date: _____
Witness: _____

Signature: _____
Kenneth Baker (owner)
Date: _____
Witness: _____

JD Peacock, II
OKALOOSA COUNTY
EXECUTIVE COUNCIL CHAIR

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Extension of Contract For 2021

The initial contract between the CCOC and Tallahassee Cleaning Solutions, LLC was dated January 1, 2019, for bi-weekly cleaning services. Tallahassee Cleaning Solutions was given an extension for calendar year 2020 that will expire December 31, 2020. Upon favorable evaluation Tallahassee Cleaning Solutions, LLC has agreed to a one-year extension as offered by the CCOC Contract Manager, Douglas Isabelle that begins on January 1, 2021.

Professional Services Agreement

- 1) The parties agree to extend this contract for an additional one-year period, which will begin immediately on the expiration of the original time period and will end on December 31, 2021.
- 2) All other terms and conditions of this contract remain unchanged.
- 3) This document, including the attached original contract is the entire agreement between the parties.
- 4) The original and one of more copies of this Agreement may be executed by one or more of the parties hereto. In such event, all such executed copies shall have the same force and effect as the executed original, and all of such counterparts, taken together shall have the effect of a fully executed original.

IN WITNESS WHEREOF, this Extension of Contract has been executed by the parties hereto as of the effective date of January 1, 2021.

Florida Clerks of Court Operations Corporation

Tallahassee Cleaning Solutions, LLC

Signature: _____

Tiffany Moore Russell-Chair

Date: _____

Witness: _____

Signature: _____

Colby Clayton (owner)

Date: _____

Witness: _____

JD Peacock, II
OKALOOSA COUNTY
EXECUTIVE COUNCIL CHAIR

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VICE-CHAIR

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Extension of Contract For 2021

The initial contract between the CCOC and The Krizner Group was dated January 1, 2020 for human resource Services. The Krizner Group was given an extension for calendar year 2020 that will expire on December 31, 2020. Upon favorable evaluation The Krizner Group has agreed to a one-year extension as offered by the CCOC Contract Manager, Douglas Isabelle that begins on January 1, 2021.

Professional Services Agreement

- 1) The parties agree to extend this contract for an additional one-year period, which will begin immediately on the expiration of the original time period and will end on December 31, 2021.
- 2) All other terms and conditions of this contract remain unchanged.
- 3) This document, including the attached original contract is the entire agreement between the parties.
- 4) The original and one of more copies of this Agreement may be executed by one or more of the parties hereto. In such event, all such executive copies shall have the same force and effect as the executed original, and all of such counterparts, taken together shall have the effect of a fully executed original.

IN WITNESS WHEREOF, this Extension of Contract has been executed by the parties hereto as of the effective date of January 1, 2021.

Florida Clerks of Court Operations Corporation

Signature: _____

Tiffany Moore Russell-Chair

Date: _____

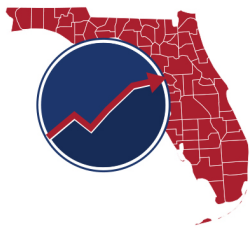
Witness: _____

The Krizner Group

Signature: _____

Date: _____

Witness: _____



CCOC

FLORIDA CLERKS OF COURT
OPERATIONS CORPORATION

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OKALOOSA COUNTY
EXECUTIVE COUNCIL CHAIR

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INDIAN RIVER COUNTY
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AGENDA ITEM 4

DATE: December 17, 2020
SUBJECT: Budget Committee Report
COUNCIL ACTION: Deliberate on Budget Committee Recommendation

OVERVIEW:

At the November 23 Budget Committee meeting, the committee voted 9-7 to move forward with a recommendation to consider using unanticipated revenue from the voter registration efforts across the state.

The Budget Committee deliberated about the possibility of using additional revenue at two different budget committee meetings. Clerk Burke motioned at the October 29 meeting, and Clerk Cooney seconded the motion, to amend the agenda to discuss re-projecting clerk revenue for the year based on the unanticipated revenue. After a voice vote, the Budget Committee recommended three actions:

- 1) CCOC re-project the revenue to include the new funds,
- 2) CCOC lobby the REC to increase funding to increase budget authority
- 3) CCOC use their authority to restore budgets to counties in need.

The CCOC Executive Committee met on November 2 to address the Budget Committee's first two recommendations. CCOC created a survey to ask all counties about any unexpected revenue they collected during October and what they expected to accumulate in November. After receiving this projection, CCOC shared the information with the REC participants, and on November 18, the REC adopted a forecast using this unexpected revenue. The Executive Committee did not act on the third recommendation from the Budget Committee, which will require a full meeting of the Executive Council.

The Budget Committee met again on November 23 and discussed the revised REC projections. At the July meeting, the REC projected the clerks would have \$410 million of revenue for their budgets. The REC lowered the state revenue projections; however, due to the timing of revenues coming into the budget and the unanticipated revenue, the clerk revenue grew from \$410 million to \$421.9 million for CFY 2020-21.

Chair Peacock provided three options to the committee to consider. One option was not to do anything and allow the excess revenue to roll into the CFY 2021-22 budget. Given the Budget Committee's previous discussion and the prior vote taken, he said this option was not a

possible solution. The second option was to use the entire \$11.9 million of expected excess revenue to amend clerks' budgets in the current fiscal year. He proposed the final option not to touch the unexpected revenue that would become general revenue and only use \$5.95 million to become clerk revenue in CFY 2021-22.

The committee had a lengthy debate on the merits of the options, focusing mostly on the third option to use the \$5.95 million future revenue and adjust the current fiscal year's existing budget authority. Through the discussion, a consensus of the Budget Committee members agreed that limiting any new budget authority to only the \$5.95 million was a good idea, as that revenue would be the clerks' in the future.

There was another conversation around whether the clerks should request permission from the Legislature to borrow from future earnings or simply take action and inform the Legislature of the CCOC decision. The clerks who spoke in support of taking action focused on the clerks' inability to serve the public and the courts. The clerks' budgets are in dire straits, and the emergency nature of the situation dictates the CCOC should not wait for legislative approval.

Those who spoke against taking action without legislative consent expressed concern about moving forward with a plan that did not have the new legislative leadership's backing in each chamber and its potential negative consequences on the clerks' legislative policy agenda and future relationships with our partners.

Motion – Clerk Ken Burke made a three-part motion.

- 1) The Budget Committee will recognize the \$5.95 million, half of the cumulative excess, which would be the clerks' future revenue for CFY 2021-22.
- 2) The Budget Committee will recommend the Executive Council apply a budget amendment to use the \$5.95 million in CFY 2020-21.
- 3) The CCOC will communicate with our partners and stakeholders on the clerks' dire needs, why we took action to amend the current year budget rather than wait for those funds to become part of the CFY 2021-22 budget to get feedback from those partners.
 - a. It is important to note that this communication was not a request for permission but rather an explanation of why the CCOC took action.

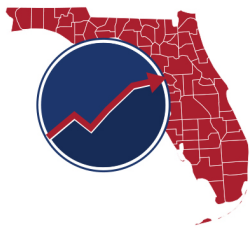
Clerk Tiffany Moore Russell seconded the motion.

The motion passed with a roll call vote of 9-7 with three committee members not voting.

COUNCIL ACTION: Deliberate on Budget Committee Recommendation

LEAD STAFF: Jason Welty, Budget & Communications Director

ATTACHMENTS: None



CCOC

FLORIDA CLERKS OF COURT
OPERATIONS CORPORATION

JD Peacock, II
OKALOOSA COUNTY
EXECUTIVE COUNCIL CHAIR

Jeffrey R. Smith, CPA, CGMA
INDIAN RIVER COUNTY
VICE-CHAIR

Tiffany Moore Russell, Esq.
ORANGE COUNTY
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GENERAL COUNSEL

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AGENDA ITEM 5

DATE: December 17, 2020
SUBJECT: PIE Committee Report
COUNCIL ACTION: Certify Performance Report

OVERVIEW:

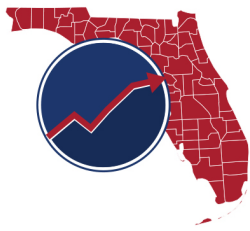
The PIE Committee Chair worked with CCOC staff to compile the CFY 2019-20 Quarter 4 Performance Report information. The CCOC team sent the report to the Legislature to meet the November 13, 2020, deadline. A copy of the report is on the CCOC website, and clerks can obtain the report by clicking on the link <https://flccoc.org/ccoc-reports/#pr>.

During these challenging times, CCOC commends the Clerks and their staff for providing their performance reports timely so that the CCOC could meet its statutory deadline.

COUNCIL ACTION: Certify Performance Report

LEAD STAFF: Douglas Isabelle, Deputy Executive Director

ATTACHMENTS: None



CCOC

FLORIDA CLERKS OF COURT
OPERATIONS CORPORATION

JD Peacock, II
OKALOOSA COUNTY
EXECUTIVE COUNCIL CHAIR

Jeffrey R. Smith, CPA, CGMA
INDIAN RIVER COUNTY
VICE-CHAIR

Tiffany Moore Russell, Esq.
ORANGE COUNTY
SECRETARY/TREASURER

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AGENDA ITEM 6

DATE: December 17, 2020
SUBJECT: CCOC Annual Report
COUNCIL ACTION: Approve Annual Report

OVERVIEW:

The CCOC must submit their Annual Report for CFY 2019-20 by January 1, 2021. The following report is in draft form. CCOC Budget & Communications Director, Jason Welty, and other CCOC staff work to compile the information and charts required to complete this report.

COUNCIL ACTION: Approve CCOC Chair to work with CCOC Staff to finalize and submit CFY 2019-20 Annual Report to the Legislature as required by statute.

LEAD STAFF: Jason Welty, Budget & Communications Director

ATTACHMENTS:

1. CFY 2019-20 CCOC Annual Report



ANNUAL REPORT 2020



Florida Clerks of Court Operations Corporation

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MESSAGE FROM THE CCOC CHAIR

The Clerks of Court Operations Corporation (CCOC) presents the County Fiscal Year 2019-20 Annual Report. Florida's citizens expect quick and reliable service as they navigate the justice system, dealing with issues relating to public safety, commerce, and access to justice. As the global pandemic spread across the state during the second-half of CFY 2019-20, Florida's public began experiencing delays, closures, and frustration with the service they have become accustomed to, as revenue shortages forced clerks to furlough staff, temporarily close offices, and in some cases put people into the unemployment line.

Financial Highlights

County Fiscal Year 2019-20 is a tale of two halves; in the first half, revenues were substantial, and the clerks appeared ready to sustain their \$33.9 million projected budget increase from CFY 2018-19. In the second half, revenues dried up, and what could have been a \$5 million surplus cratered into a \$55 million deficit. In April, clerks began asking for help from the state to keep the doors open. However, on July 1, clerks made the difficult decision to reduce the spending authority to match the projected available revenue. Many offices had to close one day a week, some more, putting a strain on Floridians that regularly access the courts through the clerk's office. What started the fiscal year as a \$458.3 million budget ended as a \$403.1 budget, \$20 million less than the clerks' budget from CFY 2005-06.

Operating Highlights

Despite all the challenges, clerks continue to strive for excellence. Many clerks expanded their collections operations during CFY 2019-20. Other clerks continued their push to modernize the office through technology, earning national recognition for their efforts, including winning the Robert B. Yegge Award for Outstanding Contribution in the Field of Judicial Administration by the Lawyers Conference of the ABA's Judicial Division. The clerks continue to receive distinctions from the Government Finance Officers Association, with several offices receiving the Certificate of Achievement for Excellence in Financial Reporting.



Another operational highlight was the inaugural Operation Green Light. This annual driver license reinstatement event helps Floridians save money and legally get back on the road. During the October 2019 Operation Green Light events, clerks reinstated 1,782 driver licenses, and the clerks made an additional 9,849 driver licenses eligible for reinstatement.

What started as a \$458.3 million budget for CFY 2019-20 ended as a \$403.1 budget, which is \$20 million less than the clerks' budget from CFY 2005-06.

Looking Ahead

The Clerks continue to strive to meet the public's needs and respond to statutorily required duties and the functions of the office while continuing to manage the office's response to the global pandemic. Clerks will continue to work with legislative partners to implement a more secure funding model to ensure Floridians continue to receive the high level of public service they expect.



JD Peacock
Clerk and Comptroller, Okaloosa County
Chair, Clerks of Court Operations Corporation Executive Council

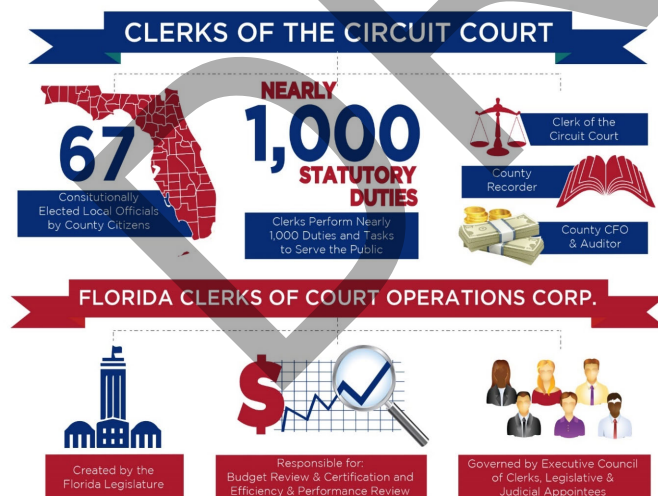
THE CLERKS OF COURT OPERATIONS CORPORATION

Membership and Duties

The Legislature created the Florida Clerks of Court Operations Corporation (CCOC or the Corporation) as a public corporation to perform the functions specified in sections 28.35, 28.36, and 28.37, Florida Statutes. All 67 clerks of the circuit court are by statute members of the CCOC.

- The Corporation members chose eight clerks to represent them based on population groupings.
- The Chief Justice of the Supreme Court, the Senate President, and the Speaker of the House each appoint one member to the Council as representatives of their organizations.
- These eleven individuals make up the CCOC Executive Council. Statute and the Plan of Operations outline the duties of the Executive Council.

CCOC Staff, under the direction of the Executive Director as chosen by the Council, performs the day-to-day administrative, budget, and data-related functions necessary to carry out the duties of the Corporation. For more information, visit www.flccoc.org.



Structure

CCOC utilizes workgroups and committees to gather information, make recommendations, and create processes to collect and analyze all the statutorily required information. Workgroups consist of clerks and staff from various clerk offices around the state. Workgroups welcome the members of clerk staff to take part in any workgroup meeting. Committees are made up of specific clerks as appointed by the Executive Council. Proposals from a workgroup will pass to the relevant committee to be discussed and voted on before being given to the Executive Council as a recommendation. The process is open to all participants. The committees active for CFY 2019-20 included the:

- Budget Committee
- Performance Improvement and Efficiency (PIE) Committee
- Revenue Enhancement Committee
- Legislative Committee

Standing Committees

The Budget Committee reviews, certifies, and recommends budgets for all 67 clerks. The Budget Committee also tracks clerk revenues and makes projections for the Article V Revenue Estimating Conference.

Through the Performance Improvement and Efficiency (PIE) Committee, the Legislature and CCOC developed a uniform system of performance measures and applicable standards to facilitate an objective determination of each clerk's performance in fiscal management, operational efficiency, and effective collection of fines, fees, service charges, and court costs. CCOC posts a summary report online and provides it to the Legislature quarterly.

The Legislative Committee monitors legislation, completes fiscal analyses of legislative proposals, and responds to the Legislature's requests concerning the budget.

The Revenue Enhancement Committee makes recommendations on short-term funding solutions, such as adjustments to the fines, fees, and court costs to ensure adequate funding for court-related services.

CFY 2019-20 STATUS UPDATE

County Fiscal Year 2019-20 began on a positive note, but it did not end as well as it started. The year started with an increased budget and signs of additional revenues. However, the COVID-19 global pandemic devastated the economy beginning in the spring of 2020, acting as a catalyst of global financial hardships. When the pandemic began impacting the United States, there was no way to know how long or widespread it would become. The clerks felt the impact almost immediately, as revenues began to decline in February and came to a screeching halt in March 2020.

New Revenue

During the 2019 Legislative Session, the legislature adopted two portions of the clerks' legislative agenda. As a result, clerks began CFY 2019-20 with a \$15.8 million new revenue source. Additionally, the Article V Revenue Estimating Conference (REC) met in July 2019, projecting a revenue growth from CFY 2018-19. The new revenue, coupled with the increased revenue project, allowed the Budget Committee to increase the clerks' budgets for the second straight year, from \$424.6 million to \$458.5 million. Clerks and CCOC are grateful to the Legislature for their continued support of the clerks' budgets. However, while the additional revenue was helpful, the pandemic's effect on the current revenue stream was too significant to overcome.

Pandemic Response

At the beginning of the fiscal year, the clerks realized greater revenue collection than initially projected, which provided a small level of relief in the face of significant revenue decline in the following months. Immediately following the government shut down in April of 2020, considerable concern arose that the global pandemic's impact would hamper the clerk's ability to collect the necessary revenue to cover their court-related duties. The Florida Court Clerks and Comptrollers (FCCC) and CCOC set up meetings attempting to secure outside revenue to help keep the offices running but were ultimately unsuccessful. Some clerks were able to secure revenue from their counties to help support the state court operations, but this support did not fill the budget hole in a meaningful way. As the fiscal year progressed, the CCOC Budget Committee and Executive Council adjusted the budget to ensure operation would continue amidst the adversity.

Final Spending Authority

Clerks endured a \$55.4 million budget reduction within CFY 2019-20. The decline was a 12 percent reduction, which by any measure would be a drastic cut from one year to the next. However, because of the inability to secure state emergency funding, clerks took the full force of the 12 percent cut within the fourth quarter of the county fiscal year. For most clerks, this reduction was effectively a 50 percent cut of the fourth quarter spending allocation. This reduction resulted in draconian cost-saving measures taken by the clerks. According to a survey completed in mid-July, clerks froze positions, leaving eight percent of all jobs vacant, they laid off approximately two percent of their full-time employees (FTE) and 75 percent of their temporary employees, and 57 percent of clerk employees took a pay cut by way of temporary furloughs.

DRAFT

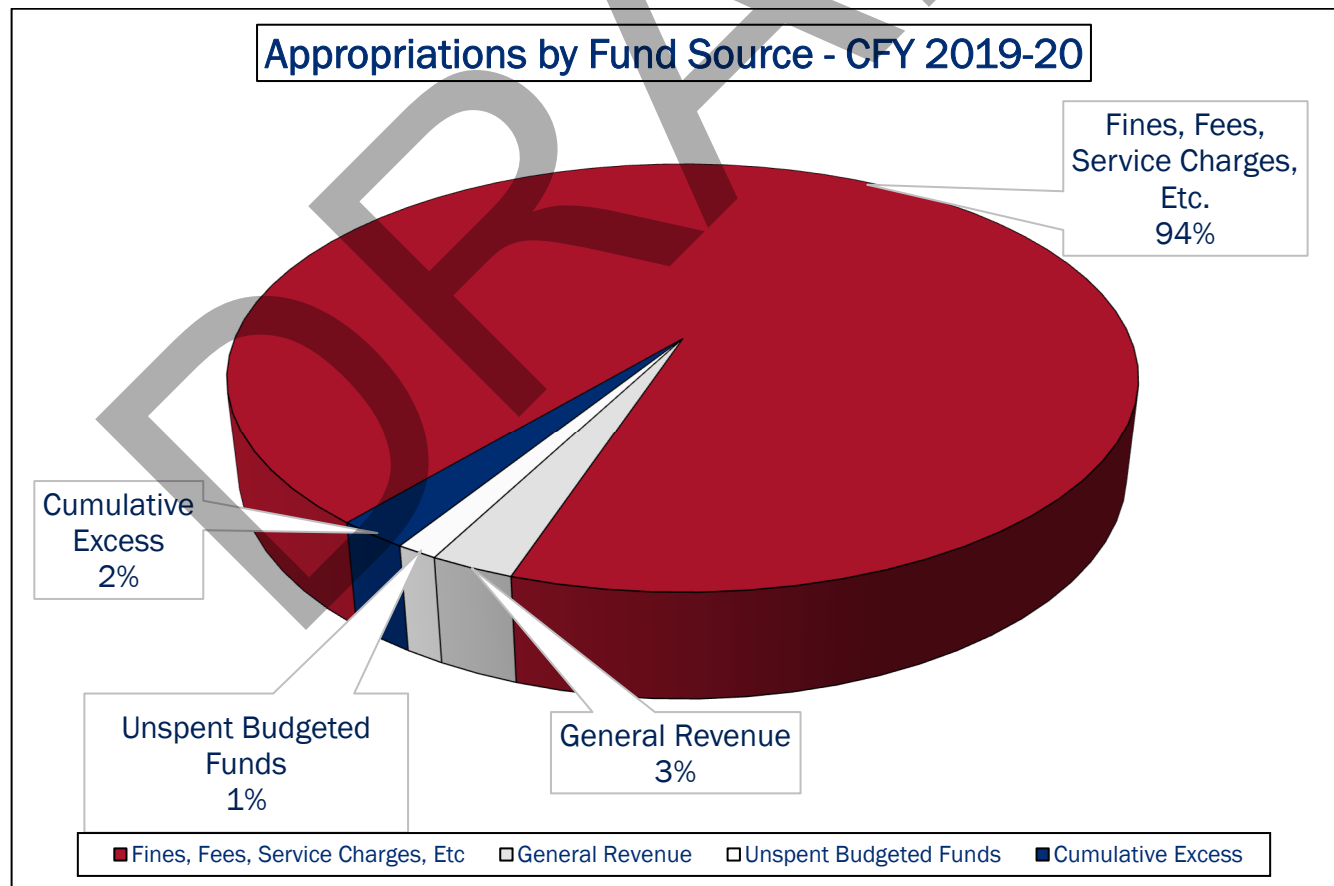
BUDGET COMMITTEE

The CCOC Budget Committee reviews submitted budgets, budget requests, and procedures to improve the overall budget process.

The Budget Committee was the most active committee during CFY 2019-20, as it dealt with the fallout from the global pandemic's effects. The committee modified the budget request process to make it more like the state budgeting process. In January, the Budget Committee set a base budget, allowing the clerks to make individualized budget requests rather than submitting a wholly new budget. This process eliminated several time-consuming forms and provided a better overview of the clerks' new funding requests.

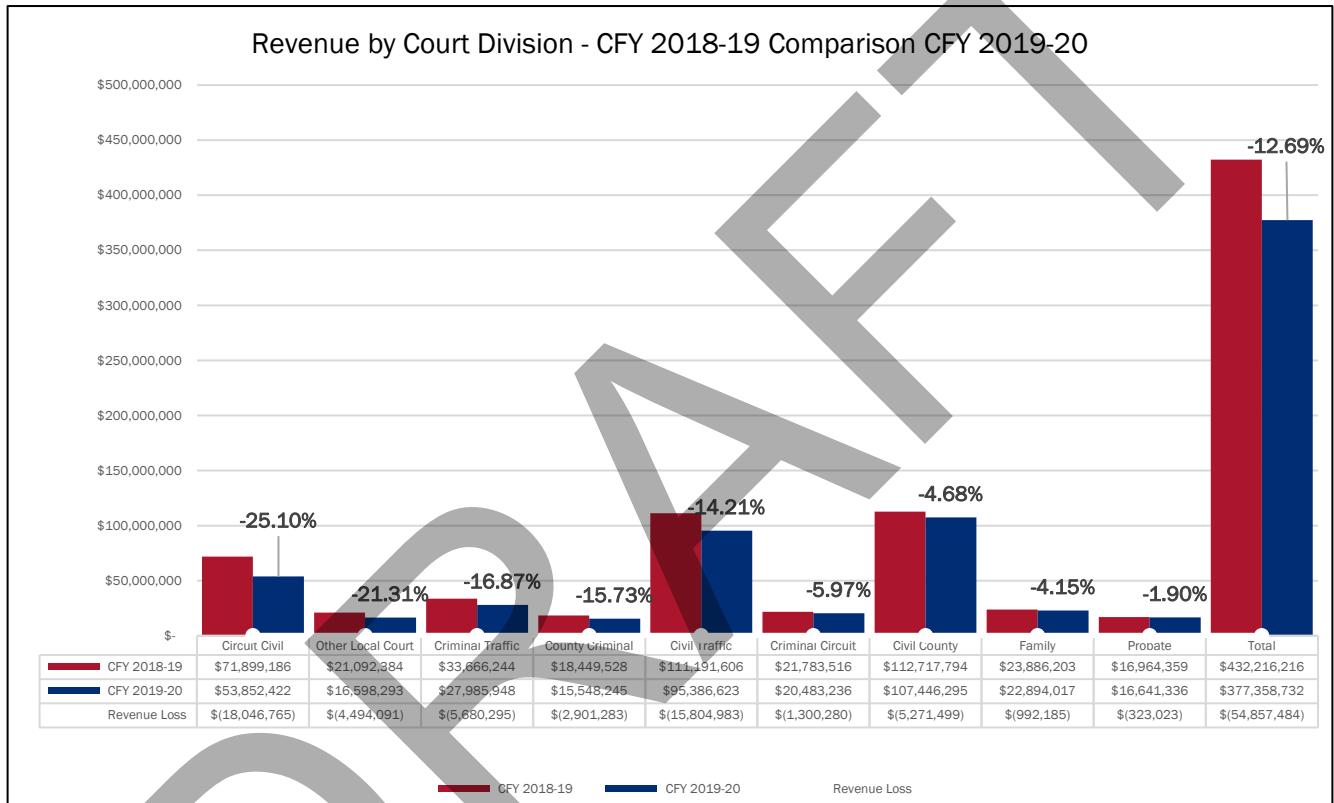
CFY 2019-20 Budget Authority

The beginning budget authority for County Fiscal Year 2019-20 was \$458.3 million, primarily made up of fines, fees, court costs, etc., set by the Legislature. Ninety-four percent of the clerks' budget comes from fines and fees.



Revenue Collection

The committee met multiple times throughout the spring and summer to analyze the impact of declining revenue and court closures throughout the state. As previously described, clerks saw dramatic decreases in revenues. However, these decreases were not uniform across the court divisions. The chart below highlights the court divisions with the most significant declines in revenue by percentage.



1

With the moratoriums on foreclosures, the circuit civil court division saw the most significant percentage decrease among the court divisions, likely due to mortgage foreclosures' suspension. Other notable divisions include civil traffic, which accounted for 26 percent of clerk revenue in CFY 2018-19, which dropped 14.21 percent, and almost \$16 million in CFY 2019-20. The loss of tourism, the statewide Safer at Home Executive Order, and the reprioritization of public safety personnel to deal with the pandemic resulted in a 14 percent drop in revenue collected. However, the 14 percent drop is a tale of two halves; in the first half of CFY 2019-20, civil traffic revenue was

¹ The juvenile dependency and juvenile delinquency court divisions are not shown due to space considerations. These two divisions total \$522,317 in CFY 2019-20 with a loss of 7.62 percent between CFY 2018-19 and CFY 2019-20.

up 6.5 percent, while the second half was down 33 percent. If the first-half trend continued, clerks could have collected over \$118 million in CFY 2019-20, increasing over \$7 million. Finally, one court division that experienced minimal decline is the Probate court division.

The Probate court division has many subcase types, including Baker Act and Marchman Act cases, and overall, case filings in the Probate division increased in CFY 2019-20. There were over 2,000 more wills deposited with the clerks, the clerks created 1,100 more Notice of Trusts, and 1,550 more Baker Act cases opened in CFY 2019-20. There is no filing fee for a Baker Act case, which is just one of the no-fee case types that clerks provide a service to Floridians, with no revenue source to support the necessary duties.

CFY 2019-20 Final Spending Authority

The Executive Council met on June 26, reducing the clerks' spending authority by almost \$60 million for the fourth quarter. Revenues increased slightly in July and August, providing restoration of spending authority of nearly \$4 million, bringing the final reduction to \$55.4 million. During this time, the Budget Committee monitored the revenues, expenditures, and available cash in the Clerks of the Court Trust Fund.

CFY 2020-21 Budget Process

While the Budget Committee and the Executive Council were monitoring the current year's budget, the Budget Committee was planning for the upcoming fiscal year and implementing a budget authority reduction from CFY 2019-20.

The Budget Committee set a base-budget removing the nonrecurring revenue and positions vacant for greater than 180 days. The committee also added a three-percent salary increase into the base budget and the cost of new judges appropriated by the Legislature. The clerks submitted 120 issues totaling almost \$12 million. These issues ranged from increases for the mandatory FRS adjustment, compliance-related issues, health insurance adjustments, and increases to ensure a continuation budget.

Budget Deliberation

The Budget Committee considered the budget issues submitted by each clerk, ultimately electing to accept budget requests relating to the statutorily required FRS increases. The base budget for CFY 2020-21 was \$443 million, and the FRS increases statewide were \$5.4 million, making the final Expenditure Budget \$448.4 million.

Budget Reduction Exercise

Florida law requires CCOC to approve a balanced budget. The revenue available includes the revenue projected at the most recent Revenue Estimating Conference (REC) plus the total of unspent budgeted funds for court-related functions carried forward by the clerks of the court from the previous county fiscal year plus the balance of funds remaining in the Clerks of the Court Trust Fund after the transfer of funds to the General Revenue Fund. For CFY 2020-21, the Budget Committee used the most recent REC estimate of \$410 million to set the first part of the clerks' budgets. Therefore, the Budget Committee developed criteria for making the Expenditure Budget reductions to the Revenue-Limited Budget.

Budget Reduction Criteria

The committee voted to hold the fiscally constrained counties from cuts, applied a pro-rata share of the reduction among the non-fiscally constrained counties, and applied a deduction based on weighted cases. The committee applied 60 percent of the decrease across the board and balanced the remainder of the reduction using the weighted cases formula. The weighted cases formula will reduce the reduction for counties with high-workload case types (felonies, foreclosures, and guardianship). The formula will increase the reduction for counties with low-workload case types (non-criminal infractions, replevins, and wills on deposit).

PERFORMANCE IMPROVEMENT AND ENHANCEMENT COMMITTEE

The purpose of the Performance Improvement and Efficiencies Committee is to review and recommend performance measure changes and reporting needs for the CCOC.

The Role of the PIE Committee

The Performance Improvement and Efficiency (PIE) Committee has three critical purposes for the CCOC:

"P" – Performance: Florida Statutes requires the CCOC to develop a statewide set of performance measures. The current performance measures are:

- Revenue collections
- Timeliness of cases filed and docketed
- Timeliness of juror payments and
- Fiscal management.

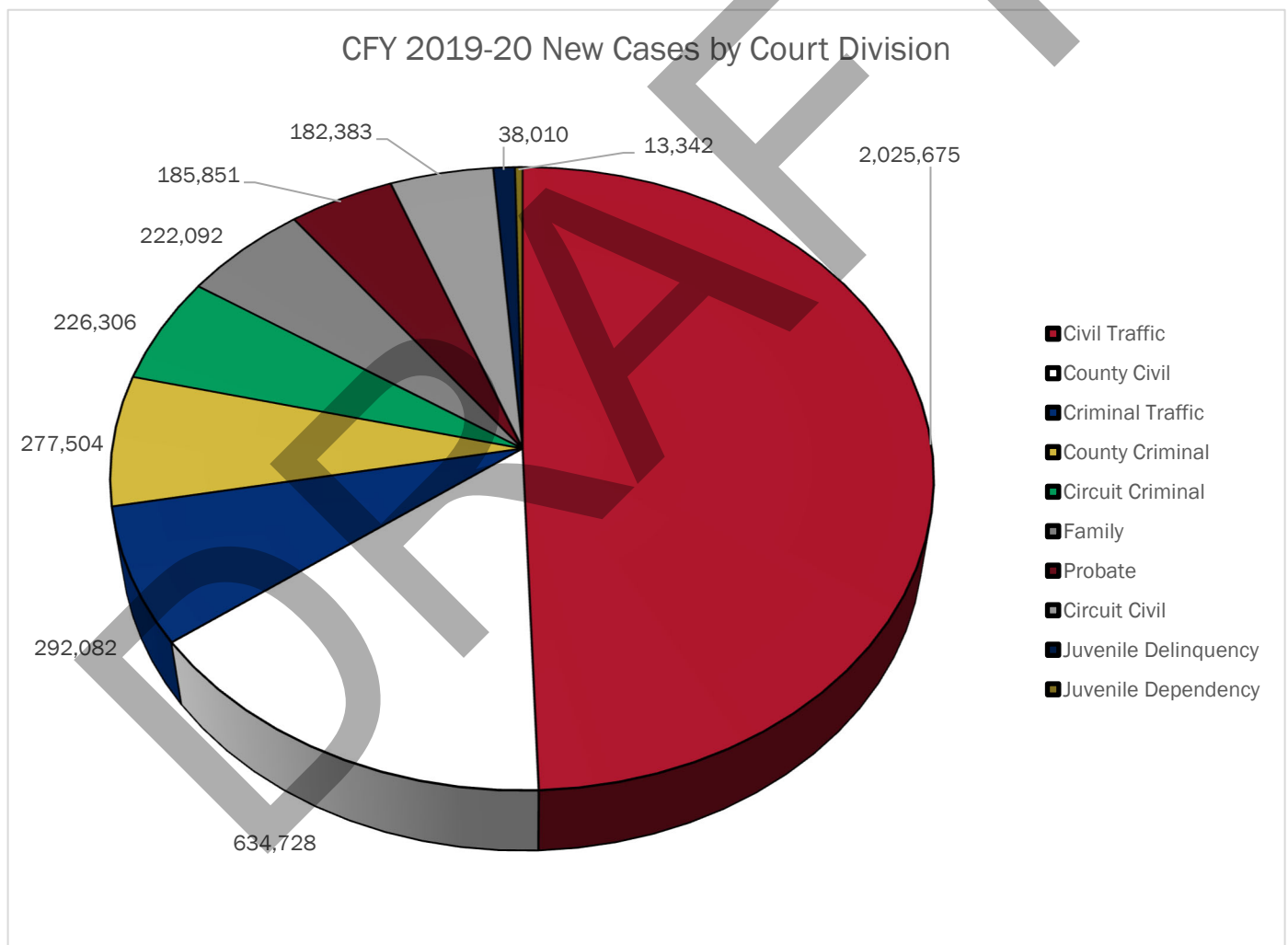
The committee's role is to review these measures, decide their relevance to the clerks' court-related services, amend them when applicable, and set standards to measure performance. The PIE Committee discussed these measures and standards this year and made no changes. However, CCOC anticipates the committee will develop new benchmarks and standards in CFY 2020-21.

"I" – Improvement: This function includes follow-up on the clerk's current action plans when clerks fail the performance measures and determine whether the steps taken will improve future performance. CCOC anticipates the creation of new measures and standards may also result in additional action plans.

"E" – Efficiency: This function of the PIE Committee includes identifying best practices for court-related services and developing effective means to communicate and share these practices among the clerk's offices.

New Cases

One of the functions of the PIE Committee is to collect case data. CCOC uses case data in a variety of ways. The Legislative Committee uses case data to analyze bills during session. The PIE Committee uses case data to assist the Budget Committee with the budget analyses, such as the weighted workload measurement and determining peer groups. CCOC shares its case data with outside entities, such as the Revenue Estimating Conference and the Office of the State Court Administrator for making projection trends for new revenue. Finally, case data is available to the public interested in the services clerks provide. Individuals, advocacy organizations, and media outlets will request information about the clerks' case data. The pie chart below shows the cases for CFY 2019-20.



LEGISLATIVE COMMITTEE

The purpose of the Legislative Committee is to review Legislative priorities, committee hearings, bills, etc., as they relate to Clerk and CCOC activities.

Role of the Legislative Committee

The goal of the Legislative Committee is to increase visibility, improve communication, and build stronger partnerships between the members and staff of the legislature. The Legislative Committee accomplishes this mission through communication, legislative analyses, and strategic coordination with the Florida Court Clerks & Comptrollers (FCCC).

Legislation Impacting the Clerks

The legislature requested xx bill analyses from the Clerks of Court Operations Corporation (CCOC), and the Legislative Committee, along with the Legislative Analysis Workgroup, formally analyzed over 50 bills. In addition to the formal request for analyses, the Legislative Committee and the Legislative Analysis Workgroup collaborated on multiple informal and ad hoc requests for information. The committee and workgroup provided valuable information to the legislature's various committees. While many of the bills tracked made minor modifications, a few bills had a significant impact.

Clerk Solutions for Florida – Priority Legislation

The Clerks of Court Operations Corporation (CCOC) supported HB 591/SB 790 (Glitch bill) and HB 967/HB 590 (Jury bill), which received unanimous consideration in each committee stop. However, the volume of bills at the end of the committee weeks stalled the Senate bills, and the clerk priority legislation did not receive a hearing in their last committee. The House heard both bills in all three committee stops, and HB 967 passed the full House by a vote of 115-0. It was a tremendous effort by the FCCC Legislative Affairs team to work on these bills and prepare them for passage next year.

In addition to the clerks' priorities, CCOC monitored another set of bills, HB 903 and SB 1328, relating to fines and fees. At the beginning of the Session, CCOC estimated these bills would potentially cause a revenue loss ranging from \$20-\$50 million. These bills would prevent clerks from suspending a person's driver's license for failure to pay fees, service charges, costs, and fines, among other changes. These bills failed in both the House and the Senate, only receiving approval from two committees in each chamber.



The Legislature also passed CS/CS/SB 994 relating to guardianship. This bill makes several changes to the guardianship process, including more supervision on cases involving vulnerable and elderly persons under a guardian's supervision.

For the fifth year in a row, the Legislature provided \$11.7 million to the clerks in the General Appropriations Act (GAA) to cover the cost of juror management. This stable funding source is a vital component of the clerks' overall budget, and CCOC worked to ensure the clerks will continue to receive this funding.

As part of the budget package (HB 5007), the Legislature revised the employer contribution rates for the Florida Retirement System (FRS) based on the 2019 Actuarial Valuation. The changes in the contribution rates caused a \$5.4 million increase in the clerks' obligation, with no additional revenue to support the increased costs.

REVENUE ENHANCEMENT COMMITTEE

The CCOC Revenue Enhancement Committee makes recommendations for enhanced revenue to the Legislature.

Role of the Revenue Enhancement Committee

One of the responsibilities of CCOC is to recommend to the Legislature changes in the amounts of the various court-related fines, fees, service charges, and costs established by law to ensure reasonable and adequate funding of the clerks of the court in the performance of their court-related functions. To meet its statutory duty, the CCOC created a Revenue Enhancement Committee in its Plan of Operations to review all of the court-related fines, fees, service charges, and costs established by law. The Revenue Enhancement Committee is responsible for developing the Funding Continuity Plan to make recommendations to the Legislature. This plan provides a menu of options recommended by the Clerks to ensure reasonable and adequate funding of the Clerks of Court.

Recommendations for Reasonable and Adequate Funding

1. Risk Protection Orders (RPO) Reimbursement
 - a. \$370,000 – provides a \$195 reimbursement for RPO cases.
2. Injunctions for Protection
 - a. \$16.1 million – provides a \$195 reimbursement for RPO cases.
3. Baker Act and Marchman Act Reimbursement
 - a. \$11.6 million – provides a \$195 reimbursement for RPO cases.
4. Injunction for protection for vulnerable adults
 - a. Indeterminate
5. Civil Indigency Case Cost Reimbursement
 - a. \$10.8 million – provides a \$195 reimbursement for RPO cases.
6. Criminal Justice Data Transparency Initiative
 - a. Indeterminate

ANNUAL REINSTATEMENT DAY PROGRAM

Clerks of Court have a statutory duty to ensure compliance with court orders, including payment of fines and fees, on behalf of the state. Consequences to individuals for not complying with court orders can be significant, including license suspension. However, it is important to note that a license is only suspended when an individual takes no action to comply.

Operation Green Light

To reduce the number of suspended licenses, the Legislature created an Annual Reinstatement Days Program. From October 12-19, 2019, clerks around the state held an event labeled Operation Green Light (OGL) to provide customers with an opportunity to pay overdue court-ordered obligations while saving additional fees. The inaugural event helped customers save money and get back on the road. Clerks are taking aggressive actions, through both CCOC and the Florida Court Clerks & Comptrollers (FCCC), promulgating best practices, and seeking additional technology resources to assist with easy and convenient payments, and looking for opportunities to gain better economies of scale for compliance activities for smaller counties.

Results

During Operation Green Light, clerks brought in \$2.7 million, of which \$1.1 million went to General Revenue and other state entities, local governments received \$673,589, and clerks retained \$962,705. State statute requires the clerks to report several output measures from the annual reinstatement days program, which are listed below.

Output measures	Total
1. Number of Cases Paid In Full	10,264
2. Number of Cases Placed on a Payment Plan	22,505
3. Number of Cases Given Community Service	87
4. Number of Cases Pulled from Collection Agency	21,897
5. Number of DL Reinstatements	1,782
6. Number of DL Reinstatements Made Eligible	9,839
7. Number of Cases Failing to Comply	4,318

CFY 2019-20 BUDGET AUTHORITY, SPENDING AUTHORITY, AND EXPENDITURES

DRAFT

CCOC EXECUTIVE COUNCIL

The CCOC Executive Council is composed of eight Clerks of the Court elected by their fellow clerks for a term of two years as well as representatives from the House, Senate, and Judicial branches as ex officio members. At a minimum, the Council meets quarterly to discuss and make decisions regarding CCOC business and budgetary matters.

The Chair of the Executive Council establishes the Chairs of each CCOC Committee as described in the Plan of Operation.



Honorable JD Peacock, II
Executive Committee
Chair
Okaloosa County



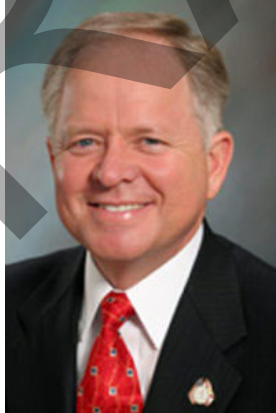
Honorable Jeffrey R. Smith, CPA, CGFO, CGMA
Executive Committee
Vice-Chair
Indian River County



Honorable Tiffany Moore Russell, Esq.
Executive Committee
Secretary/Treasurer
Orange County



Honorable Stacy Butterfield, CPA
Polk County Clerk & Comptroller



Honorable John Crawford
Nassau County Clerk & Comptroller



Honorable Todd Newton
Gilchrist County Clerk & Comptroller



Honorable Laura E. Roth

Volusia County Clerk &
Comptroller



Honorable
Ronald Ficarrotta

13th Judicial Circuit
Judge

Chief Justice of the
Supreme Court
Appointee



VACANT

Florida House of
Representatives
Appointee



Honorable Harvey Ruvin,
Esq.

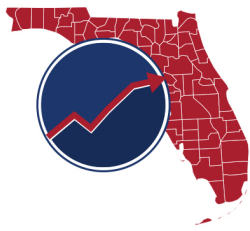
Miami-Dade County
Clerk



Honorable Angelina
"Angel" Colonnese, Esq.

Manatee County Clerk &
Comptroller

Florida Senate
Appointee



CCOC

FLORIDA CLERKS OF COURT
OPERATIONS CORPORATION

JD Peacock, II
OKALOOSA COUNTY
EXECUTIVE COUNCIL CHAIR

Jeffrey R. Smith, CPA, CGMA
INDIAN RIVER COUNTY
VICE-CHAIR

Tiffany Moore Russell, Esq.
ORANGE COUNTY
SECRETARY/TREASURER

STACY BUTTERFIELD, CPA
POLK COUNTY

JOHN CRAWFORD
NASSAU COUNTY

TODD NEWTON
GILCHRIST COUNTY

LAURA E. ROTH
VOLUSIA COUNTY

HARVEY RUVIN, ESQ.
MIAMI-DADE COUNTY

RON FICARROTTA
13TH JUDICIAL CIRCUIT JUDGE
SUPREME COURT APPOINTEE

ANGELINA "ANGEL"
COLONNESO, ESQ.
MANATEE COUNTY
SENATE APPOINTEE

VACANT
HOUSE APPOINTEE

JOHN DEW
EXECUTIVE DIRECTOR

JOE BOYD
GENERAL COUNSEL

2560-102 BARRINGTON CIRCLE | TALLAHASSEE, FLORIDA 32308 | PHONE 850.386.2223 | FAX 850.386.2224 | WWW.FLCCOC.ORG

AGENDA ITEM 7

DATE: December 17, 2020
SUBJECT: Other Business – Auditor General Operational Audit of the CCOC
COUNCIL ACTION: Information Only

OVERVIEW:

The Florida Auditor General (OAG) conducts operational audits of governmental entities to provide to the Florida Legislature. State law provides that, at least every three years, the Auditor General conducts an operational audit of the Florida Clerks of Court Operations Corporation. Our office received an engagement letter from the OAG on March 19, 2020, informing us they would be conducting their audit of the CCOC and review operations performed in July 2018 through December 2019. The OAG released their previous audit of the CCOC in December 2017, which reviewed fiscal years 2015-2017. **Attachment 1** is the OAG Engagement letter, which provides the objective of the audit.

CCOC staff worked diligently with OAG staff to pull the required documentation as requested. The OAG audit team conducted Phone interviews to discuss the materials and provide further clarification. This audit was an 8-month process, March 2020 through October 2020. Typically, auditors would come in-office, but due to COVID-19, most of the work had to be done remotely or with CCOC in-office uploading the materials to an FTP site.

The OAG released their Operational Audit Review of the CCOC this month. Report No. 2021-065 is **Attachment 2**. As you will see in the 7-page report, the OAG staff conducted a thorough review of our office. This report included reviewing the CCOC's management internal control to prevent and detect fraud, waste, and abuse; examine internal controls designed and place in operation to promote and encourage the achievement of management's control objectives in the categories of compliance, economical and efficient operations, the reliability of records and reports, and the safeguarding of assets, and identify weaknesses in those internal controls; determine whether CCOC management had corrected all deficiencies disclosed in the previous audit report No. 2018-076; and identify statutory and fiscal changes that may be recommended by the Legislature pursuant to Section 11.45(7)(h), Florida Statutes.

I am pleased to note that the report had no findings for the first time in the 16-year history of the OAG Operational Audits of the CCOC. Found on page 1 of the report under Summary, it states, "Our audit did not disclose any findings and recommendations regarding the CCOC

processes and administrative activities included within the scope of our audit that must be reported in writing.”

COUNCIL ACTION: Information Only

LEAD STAFF: John Dew, CCOC Executive Director

ATTACHMENTS:

1. Audit Engagement Letter
2. Final Audit Report



Sherrill F. Norman, CPA
Auditor General

AUDITOR GENERAL STATE OF FLORIDA

Claude Denson Pepper Building, Suite G74
111 West Madison Street
Tallahassee, Florida 32399-1450



Phone: (850) 412-2722
Fax: (850) 488-6975

March 19, 2020

Honorable JD Peacock II
Chair, Executive Committee
Florida Clerks of Court Operations Corporation
2560-102 Barrington Circle
Tallahassee, Florida 32308

Dear Mr. Peacock:

Pursuant to Section 11.45(2)(f), Florida Statutes, we will perform an operational audit of the Florida Clerks of Court Operations Corporation (CCOC). The purpose of this letter is to establish an understanding of CCOC management's and our responsibilities, and other matters, related to our audit.

The objectives of our audit are, for selected operating units, programs, activities, functions, and classes of transactions, to obtain an understanding and evaluate management's performance in establishing and maintaining internal controls, including controls designed to prevent and detect fraud, waste, and abuse and in administering assigned responsibilities in accordance with applicable laws, rules, regulations, contracts, grant agreements, and other guidelines. Our audit will examine controls that are designed and placed in operation to promote and encourage the achievement of management's control objectives in the categories of compliance, economic and efficient operations, reliability of financial records and reports, and the safeguarding of assets, including identifying weaknesses in those controls.

CCOC management is responsible for administering its assigned responsibilities in accordance with applicable laws, rules, regulations, contracts, grant agreements, and other guidelines. CCOC management is also responsible for establishing and maintaining effective internal controls to help ensure that specific entity goals and objectives are met; resources are safeguarded and efficiently, economically, effectively, and equitably used; and management and financial information is reliable and properly reported. Further, pursuant to various provisions of Florida law, including but not limited to, Section 11.47(1), Florida Statutes, CCOC management is responsible for entering into CCOC records sufficient information for proper audit or examination and for making the same available to us on demand.

We are responsible for conducting the audit in accordance with Section 11.45, Florida Statutes, and generally accepted government auditing standards (i.e., *Government Auditing Standards*) issued by the Comptroller General of the United States. These standards require that we plan and perform the audit to obtain reasonable rather than absolute assurance about whether the CCOC complied with applicable laws, rules, regulations, contracts, grant agreements, and other guidelines. The reasonable and efficient conduct of the audit requires that our access to CCOC records and personnel not be restricted. Under generally accepted government auditing standards, the absence of such access may result in a limitation in the scope of our examination,

and any such limitation, together with its impact on the audit, must be disclosed in our audit report. We respectfully request that you communicate with all affected personnel that all records necessary to complete the audit should be timely furnished to our audit staff as requested.

Generally accepted government auditing standards also require that we be alert to situations or transactions that could be indicative of waste or abuse, which involves behavior that is deficient or improper when compared with behavior that a prudent person would consider reasonable and necessary business practice given the facts and circumstances. The determination of waste or abuse is subjective, and, under generally accepted government auditing standards, we are not expected to provide reasonable assurance of detecting waste or abuse. However, if we become aware of indications of waste or abuse, we will apply procedures to ascertain whether waste or abuse has occurred and its effect on the audit objectives and results of the audit.

During the course of our audit field work, it is necessary for our staff to be granted access to certain records or files containing information that is exempt from public disclosure (e.g. employee social security numbers on employment records and employee travel vouchers, bank account numbers, debit, charge, and credit card account numbers on disbursement vouchers). Access to this information is requested pursuant to Sections 11.47 and 119.07(6), Florida Statutes. When the record is available electronically, we request that the information be made available in that format. To maintain your security over these records, please identify the contact person through whom we should address specific requests for access and the location(s) where the authorized auditors may review the records within your established security systems. Your suggestions for preserving the confidentiality of these records, and any other CCOC records that staff members may request access to, will be appreciated.

Additionally, we request Internet access from our laptop computers while on-site for the purpose of establishing a virtual private network (VPN) connection to the Auditor General network. To establish this connection, please e-mail Dao Wei at daowei@aud.state.fl.us with the following information:

1. Physical location at which the VPN connection is to be made.
2. Name and phone number of your Information Resources technical contact.
3. Written permission from an appropriate manager or supervisor at your designated location for staff members to use your network in this manner (e-mail is sufficient).

At the conclusion of the audit, pursuant to Section 11.45(4), Florida Statutes, we will discuss with appropriate CCOC management and those charged with governance the results of our audit and submit an official list of our preliminary and tentative findings that may be included in an audit report. Following the Auditor General's receipt and review of CCOC's written statement of explanation or rebuttal concerning all of the findings, including corrective action to be taken to preclude a recurrence of all findings, a final report will be prepared and issued. The audit report when final will be a public record.

Pursuant to Section 11.45(4)(c), Florida Statutes, our audit working papers and notes are not a public record. We will retain our supporting working papers for five years after the issuance of the audit report. We will make such working papers available to applicable Federal agencies or the Comptroller General of the United States as part of a quality review, to resolve audit findings, or to carry out oversight responsibilities.

A telephonic entrance conference will be scheduled in the near future, and we will establish an on-site audit presence at a later date once the COVID-19 concerns are passed. In the meantime, we plan to perform the audit remotely via e-mail, Skype, and phone. The audit team leader is Dao Wei, and the audit will be supervised by Jacqueline Bell. As audit supervisor, Jacqueline is

responsible for the direction, supervision, and performance of the audit in compliance with professional standards, applicable legal and regulatory requirements, and Auditor General policies and procedures. Jacqueline is also responsible for ensuring that the audit report is appropriate in the circumstances, including ensuring that the audit report meets the objectives of and standards applicable to the audit.

We look forward to working with you and your staff and appreciate your patience as we use remote audit techniques. Should you at any time have concerns relative to the conduct or progress of this audit, please contact me at (850) 412-2895 or Jacqueline at (850) 412-2811. Please sign and date below to indicate your acknowledgement of, and agreement with, the arrangements for our audit, including our respective responsibilities as outlined in this engagement letter, and return the signed/dated copy to us. Thank you for your assistance.

Sincerely,



Michael J. Gomez, CPA
Audit Manager

Acknowledged and agreed on behalf of the CCOC.



Digitally signed by JD
Peacock II
Date: 2020.03.20
09:24:47 -05'00'

JD Peacock, Chair, CCOC Executive Committee

Date

c: CCOC Executive Committee
John Dew, CCOC Executive Director

Report No. 2021-065
December 2020

STATE OF FLORIDA AUDITOR GENERAL

Operational Audit

FLORIDA CLERKS OF COURT OPERATIONS CORPORATION



Sherrill F. Norman, CPA
Auditor General

Florida Clerks of Court Operations Corporation

During the period July 2018 through December 2019, John Dew served as the Executive Director and the following individuals served on the Florida Clerks of Court Operations Corporation Executive Council:

Executive Council Members

Honorable J.D. Peacock II, Chair	Okaloosa County Clerk of Courts
Honorable Jeffery R. Smith, CPA, Vice Chair from 7-1-19	Indian River County Clerk of Courts
Honorable Tara S. Green, Vice Chair through 6-30-19	Clay County Clerk of Courts
Honorable Stacy Butterfield, CPA, Secretary/Treasurer from 7-1-19	Polk County Clerk of Courts
Honorable John Crawford	Nassau County Clerk of Courts
Honorable Pat Frank through 6-30-19	Hillsborough County Clerk of Courts
Honorable Todd Newton from 7-1-19	Gilchrist County Clerk of Courts
Honorable Paula O'Neil through 6-30-19	Pasco County Clerk of Courts
Honorable Laura E. Roth	Volusia County Clerk of Courts
Honorable Tiffany Moore Russel from 7-1-19	Orange County Clerk of Courts
Honorable Harvey Ruvin	Miami-Dade County Clerk of Courts

Other Designated Executive Council Members

Honorable Ronald Ficarrotta Circuit Judge for the Thirteenth Judicial Circuit	Chief Justice Designee
Honorable Angelina Colonnese from 4-10-19 ^a Manatee County Clerk of Courts	Senate President Designee
Honorable Kyle Hudson through 3-18-19 ^a Holmes County Clerk of Courts	Senate President Designee
Vacant from 7-1-18	House Speaker Designee

^a Seat was vacant 3-19-19 through 4-9-19.

The team leader was Walter K. Cunningham, CPA, and the audit was supervised by Jacqueline M. Bell, CPA.

Please address inquiries regarding this report to Michael J. Gomez, CPA, Audit Manager, by e-mail at mikegomez@aud.state.fl.us or by telephone at (850) 412-2881.

This report and other reports prepared by the Auditor General are available at:

FLAuditor.gov

Printed copies of our reports may be requested by contacting us at:

State of Florida Auditor General

Claude Pepper Building, Suite G74 · 111 West Madison Street · Tallahassee, FL 32399-1450 · (850) 412-2722

FLORIDA CLERKS OF COURT OPERATIONS CORPORATION

SUMMARY

This operational audit of the Florida Clerks of Court Operations Corporation (CCOC) focused on selected CCOC processes and administrative activities and included a follow-up on findings noted in our report No. 2018-076. Our audit did not disclose any findings and recommendations regarding the CCOC processes and administrative activities included within the scope of our audit that must be reported in writing.

BACKGROUND

Pursuant to State law,¹ the Florida Clerks of Court Operations Corporation (CCOC) was created as a public corporation organized to perform specified functions. All clerks of the circuit court (clerks) are members of the corporation and hold their positions and authority in an ex officio capacity.

The Executive Council of the CCOC is composed of eight clerks elected by the members for a term of 2 years, with two clerks from counties with a population of fewer than 100,000, two clerks from counties with a population of at least 100,000 but fewer than 500,000, two clerks from counties with a population of at least 500,000 but fewer than 1 million, and two clerks from counties with a population of 1 million or more. In addition, the Executive Council includes, as ex officio members, a designee of the President of the Senate and a designee of the Speaker of the House of Representatives. The Chief Justice of the Supreme Court also designates one additional member to represent the State Courts System.

State law² prescribes the CCOC duties, which include:

- Adopting a plan of operation.
- Conducting the election of the Executive Council.
- Recommending to the Legislature changes in the amounts of the various court-related fines, fees, service charges, and costs established by law to ensure reasonable and adequate funding of the clerks in the performance of their court-related functions.
- Developing and certifying a uniform system of workload measures and applicable workload standards for court-related functions and clerk workload performance in meeting the workload performance standards. The CCOC must develop the workload measures and workload performance standards in consultation with the Legislature, notify the Legislature of any clerk not meeting the workload performance standards, and provide the Legislature a copy of any corrective action plans.
- Contracting with the Department of Financial Services (DFS) for the DFS to audit the court-related expenditures of individual clerks.
- Reviewing, certifying, and recommending proposed budgets submitted by clerks pursuant to State law.³ As part of this process, the CCOC is required, among other things, to:

¹ Sections 28.35 and 28.36, Florida Statutes

² Section 28.35(2), Florida Statutes

³ Section 28.36, Florida Statutes, provides the budget procedure for the court-related functions of the clerks.

- Calculate the minimum amount of revenue necessary for each clerk to efficiently perform the list of court-related functions specified in State law.⁴
- Prepare a cost comparison of similarly situated clerks of the court, based on county population and numbers of filings, using the standard list of court-related functions.
- Identify those clerks projected to have court-related revenues insufficient to fund court-related expenditures.
- Identify the budget of any clerk which exceeds the average budget of similarly situated clerks by more than 10 percent.
- Developing and conducting clerk education programs.

Pursuant to State law,⁵ the CCOC is funded pursuant to a contract with the Chief Financial Officer. The contract is funded by fees collected by the clerks pursuant to State law⁶ and the funds are made available to the CCOC for the performance of its duties and responsibilities as set forth in State law.

PRIOR AUDIT FOLLOW-UP

The CCOC had taken corrective actions for the findings included in our report No. 2018-076.

OBJECTIVES, SCOPE, AND METHODOLOGY

The Auditor General conducts operational audits of governmental entities to provide the Legislature, Florida's citizens, public entity management, and other stakeholders unbiased, timely, and relevant information for use in promoting government accountability and stewardship and improving government operations. State law⁷ provides that, at least every 3 years, the Auditor General shall conduct an operational audit of the Florida Clerks of Court Operations Corporation (CCOC).

We conducted this operational audit from March 2020 through October 2020 in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

This operational audit of the CCOC focused on selected CCOC processes and administrative activities. The overall objectives of the audit were to:

- Evaluate management's performance in establishing and maintaining internal controls, including controls designed to prevent and detect fraud, waste, and abuse, and in administering assigned responsibilities in accordance with applicable laws, administrative rules, contracts, grant agreements, and other guidelines.
- Examine internal controls designed and placed in operation to promote and encourage the achievement of management's control objectives in the categories of compliance, economic and

⁴ Section 28.35(3)(a), Florida Statutes, enumerates the court-related functions that clerks may fund from filing fees, service charges, costs, and fines.

⁵ Section 28.35(4), Florida Statutes.

⁶ Sections 28.2401(3), 28.241(1)(a), and 34.041(1)(b), Florida Statutes.

⁷ Section 11.45(2)(f), Florida Statutes.

efficient operations, the reliability of records and reports, and the safeguarding of assets, and identify weaknesses in those internal controls.

- Determine whether CCOC management had corrected, or was in the process of correcting, all deficiencies disclosed in our report No. 2018-076.
- Identify statutory and fiscal changes that may be recommended to the Legislature pursuant to Section 11.45(7)(h), Florida Statutes.

In planning and conducting our audit, we assessed whether internal controls were significant to our audit objectives by considering the internal control integrated framework established by the Committee of Sponsoring Organizations (COSO)⁸ and adapted for a government environment within the *Standards for Internal Control in the Federal Government* issued by the United States Government Accountability Office. That framework is illustrated in the following table.

COSO Internal Control Integrated Framework

Internal Control Component	Description	Underlying Principles (To be Applied by the CCOC Executive Council and Management)
Control Environment	Standards, processes, and structures that provide the basis for carrying out internal control across the organization. Represents the foundation on which an effective internal control system is built.	<ul style="list-style-type: none"> • Demonstrate commitment to integrity and ethical values. • Exercise oversight responsibility. • Establish structures and reporting lines and assign authorities and responsibilities. • Demonstrate commitment to a competent workforce. • Hold individuals accountable for their responsibilities.
Risk Assessment	Management's process to consider the impact of possible changes in the internal and external environment and to consider actions to mitigate the impact. The basis for how risks will be managed.	<ul style="list-style-type: none"> • Establish clear objectives to define risk and risk tolerances. • Identify, analyze, and respond to risks. • Consider the potential for fraud. • Identify, analyze, and respond to significant changes that impact the internal control system.
Control Activities	Activities in the form of policies, procedures, and standards that help management mitigate risks. Control activities may be preventive in nature or detective in nature and may be performed at all levels of the organization.	<ul style="list-style-type: none"> • Design control activities to achieve objectives and respond to risks. • Design control activities over technology. • Implement control activities through policies and procedures.
Information and Communication	Information obtained or generated by management to support the internal control system. Communication is the dissemination of important information to help the organization meet requirements and expectations.	<ul style="list-style-type: none"> • Use relevant and quality information. • Communicate necessary information internally to achieve entity objectives. • Communicate necessary information externally to achieve entity objectives.
Monitoring	Periodic or ongoing evaluations to verify that the internal control system is present and functioning properly.	<ul style="list-style-type: none"> • Conduct periodic or ongoing evaluations of the internal control system. • Remediate identified internal control deficiencies on a timely basis.

We determined that the internal control components significant to our audit objectives included control environment, control activities, information and communication, and monitoring. The associated underlying principles significant to our objectives included:

- CCOC Executive Council and management commitment to integrity and ethical values.
- CCOC Executive Council and management exercise of oversight responsibility.

⁸ The Committee of Sponsoring Organizations (COSO) of the Treadway Commission was established in 1985 to develop guidance in the areas of risk and control which enable good organizational governance and reduction of fraud. Pursuant to their mission, COSO developed a framework for internal control that consists of five components and 17 underlying principles.

- CCOC Executive Council and management establishment of an organizational structure, assignment of responsibility, and delegation of authority to achieve the CCOC's goals and objectives.
- Management commitment to recruit, develop, and retain competent individuals.
- Management design of control activities to achieve the CCOC's objectives and respond to risks.
- Management establishment of policies and procedures to implement internal control activities.
- Management communication of information externally necessary to achieve the CCOC's objectives.
- Management activities to monitor the CCOC's internal control system and evaluate the results.

This audit was designed to identify, for those areas included within the scope of the audit, weaknesses in management's internal controls significant to our audit objectives; instances of noncompliance with applicable laws, rules, regulations, contracts, and other guidelines; and instances of inefficient or ineffective operational policies, procedures, or practices. The focus of this audit was to identify problems so that they may be corrected in such a way as to improve government accountability and efficiency and the stewardship of management. Professional judgment has been used in determining significance and audit risk and in selecting the particular transactions, legal compliance matters, records, and controls considered.

As described in more detail below, for those programs, activities, and functions included within the scope of our audit, our audit work included, but was not limited to, communicating to management and those charged with governance the scope, objectives, timing, overall methodology, and reporting of our audit; obtaining an understanding of the program, activity, or function; identifying and evaluating internal controls significant to our audit objectives; exercising professional judgment in considering significance and audit risk in the design and execution of the research, interviews, tests, analyses, and other procedures included in the audit methodology; obtaining reasonable assurance of the overall sufficiency and appropriateness of the evidence gathered in support of our audit's findings and conclusions; and reporting on the results of the audit as required by governing laws and auditing standards.

Our audit included transactions, as well as events and conditions, occurring during the audit period July 2018 through December 2019, and selected CCOC actions taken prior and subsequent thereto. Unless otherwise indicated in this report, these records and transactions were not selected with the intent of statistically projecting the results, although we have presented for perspective, where practicable, information concerning relevant population value or size and quantifications relative to the items selected for examination.

An audit by its nature, does not include a review of all records and actions of management, staff, and vendors, and as a consequence, cannot be relied upon to identify all instances of noncompliance, fraud, waste, abuse, or inefficiency.

In conducting our audit, we:

- Reviewed applicable laws, rules, regulations, contracts, and CCOC policies and procedures, and other guidelines, and interviewed CCOC personnel to gain an understanding of and evaluate applicable processes and administrative activities.

- Examined the minutes of CCOC Executive Council meetings for the period July 2018 through December 2019 and the minutes of selected meetings prior and subsequent to that period to evaluate the propriety and sufficiency of actions taken.
- Examined the contract with the Florida Court Clerks and Comptrollers, the CCOC's education and training provider; examined the schedule of training made available during the 2018-19 fiscal year; and reviewed the agendas for the conferences included in the schedule of training opportunities to determine whether the CCOC complied with Section 28.35(2)(g), Florida Statutes.
- Examined CCOC records to determine whether the CCOC complied with the reviewing, monitoring, and reporting requirements set forth in Section 28.35(2), Florida Statutes. For example, from the population of 67 clerks of court for the 2018-19 fiscal year, we selected for examination the budget proposals submitted by 23 clerks and evaluated whether the proposals contained the required revenue and expenditure information and whether the CCOC properly reviewed and approved the budget proposals.
- Examined documentation to determine whether CCOC recommendations to the Legislature regarding changes in amounts of the various court-related fines, fees, service charges, and costs to ensure reasonable and adequate funding of the clerks of court in the performance of their court-related functions were made in accordance with Section 28.35(2)(c), Florida Statutes.
- Examined clerk remittances to the Department of Revenue (DOR) for the cumulative excess of fines, fees, service charges, and costs exceeding the amount needed to meet authorized budget amounts. Specifically, we selected two monthly remittance transactions and the annual calculation for 23 of the 67 clerks included in the 804 monthly reports and 67 annual reports for the 2018-19 fiscal year to determine whether remittances were calculated and remitted in accordance with Section 28.37, Florida Statutes. Also, we determined whether the CCOC monitored and reconciled DOR remittance amounts with information reports filed with the CCOC.
- Examined CCOC records to determine whether the CCOC complied with Section 27.52(1), Florida Statutes, by developing an application for clerks to use in determining indigent status and ensuring the application was approved by the Supreme Court.
- Determined whether CCOC deposits were secured in a qualified public depository as required by Section 280.03, Florida Statutes, and whether the CCOC complied with account reporting requirements in Section 280.16(1)(c), Florida Statutes.
- Examined CCOC banking agreements and inquired of CCOC personnel to determine whether CCOC personnel periodically compared the interest earnings and banking fee charges of the CCOC's bank with the earnings and charges of other banks for reasonableness.
- Examined the 18 monthly bank reconciliations for the CCOC's operating bank account for the months July 2018 through December 2019 to determine whether CCOC personnel timely and accurately performed the bank reconciliations.
- Examined CCOC records to determine whether the CCOC complied with Section 28.35(2)(d), Florida Statutes, by developing a uniform system of workload measures and performance standards in consultation with the Legislature, and appropriately monitoring the clerks. Specifically, we:
 - Evaluated the Workload Performance Measure Form reporting instructions to determine whether the measures and standards were designed to facilitate an objective determination of each clerk's performance.
 - Examined the 3 quarterly workload performance measure reports submitted by 23 of the 67 clerks (69 total reports) for the quarter ended September 30, 2019, to determine whether the reports were timely filed.

- Examined the annual fiscal management reports submitted by 23 of the 67 clerks for the fiscal year ended June 30, 2019, to determine whether the reports were timely filed.
- Reviewed the accuracy and completeness of quarterly workload performance measure reports and the annual fiscal management report for 23 of the 67 clerks (92 reports) by verifying the mathematical accuracy of the reports, the consistency of the data reported between fiscal quarters, and the inclusion of corrective action plans and explanatory information when applicable.
- Examined CCOC records to determine whether the CCOC notified the Legislature of clerks not meeting workload performance measures and provided the Legislature with corrective action plans for those clerks.
- Reviewed the CCOC Reports Checklist to determine whether the CCOC monitored clerk compliance with applicable provisions of Sections 28.35 and 28.36, Florida Statutes, by submitting audit reports performed by certified public accountants that included a determination that the clerks complied with the provision of Section 28.35(5), Florida Statutes. We also reviewed the audit reports submitted for the 2018-19 fiscal year for all clerks to determine whether the reports contained the required determination.
- From the population of 405 general expenditures totaling \$709,643 during the audit period, examined CCOC records supporting 30 selected expenditure transactions totaling \$84,345 to determine whether the transactions complied with Section 28.35, Florida Statutes, applicable CCOC policies and procedures, and good business practices.
- From the population of 179 contractual expenditures totaling \$521,110 related to ten contracts during the audit period, examined CCOC records supporting 27 selected contractual expenditures totaling \$72,491 related to six contracts to determine whether the expenditures complied with applicable laws, CCOC policies and procedures, and good business practices.
- From the population of 211 credit card transactions totaling \$32,251 during the audit period, examined CCOC records supporting 26 selected credit card charges totaling \$5,016 to determine whether the charges complied with applicable laws, CCOC policies and procedures, and good business practices.
- From the population of 116 travel reimbursements totaling \$40,570 during the audit period, examined CCOC records supporting 25 selected travel reimbursements totaling \$4,586 to determine whether the expenditures complied with Section 112.061, Florida Statutes, CCOC policies and procedures, and good business practices.
- Inquired with CCOC personnel and examined CCOC records to determine whether the CCOC complied with Section 28.35(2)(e), Florida Statutes, by entering into a contract for the Department of Financial Services to audit the court-related expenditures of individual clerks.
- Inquired with CCOC personnel and examined CCOC records to determine whether all members of the Executive Council received the ethics training required by Section 112.3142, Florida Statutes, and whether CCOC verified that the required training was received.
- Communicated on an interim basis with applicable officials to ensure the timely resolution of issues involving controls and noncompliance.
- Performed various other auditing procedures, including analytical procedures, as necessary, to accomplish the objectives of the audit.
- Obtained management's views concerning the conclusions in this audit report, prepared a summary of management's comments, and provided a copy of the summary to management to verify that the comments were accurately represented. In addition, we included the summary of management's response in this report under the heading **MANAGEMENT'S RESPONSE**.

AUTHORITY

Section 11.45, Florida Statutes, requires that the Auditor General conduct at least every 3 years an operational audit of the accounts and records of the Florida Clerks of Court Operations Corporation. Pursuant to the provisions of Section 11.45, Florida Statutes, I have directed that this report be prepared to present the results of our operational audit.



Sherrill F. Norman, CPA
Auditor General

MANAGEMENT'S RESPONSE

CCOC management concurred with the audit results.