

MANATEE COUNTY CLERK OF THE CIRCUIT COURT
INTERNAL AUDIT DEPARTMENT

SUPERVISOR OF ELECTIONS OFFICE
AUDIT OF FINANCIAL CONTROLS

A U D I T R E P O R T

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A U D I T R E P O R T

The Internal Audit Department conducted an audit of financial controls over the Supervisor of Elections Office for the audit period January 1, 2006 through December 31, 2006. The audit was performed in accordance with *Generally Accepted Governmental Auditing Standards*, issued by the Comptroller General of the United States; and the *Standards for the Professional Practice of Internal Auditing*, issued by the Institute of Internal Auditors.

BACKGROUND:

The Supervisor of Elections is a constitutional office created and provided for under the Florida Constitution and the Laws of Florida. As an elected official, the Supervisor of Elections administers all countywide elections in Manatee County and other municipal and special district elections by contract. The Supervisor of Elections conducts voter registration and issues voter identification cards, updates voter registration lists, and provides for absentee registration and absentee voting. The Supervisor of Elections is responsible for qualifying candidates, and receiving candidate campaign finance reports and financial disclosure reports.

The Supervisor of Elections receives qualifying fees and revenues for elections services performed, petition verifications, and other miscellaneous services. The Supervisor of Elections' expenditures include but are not limited to maintaining election equipment, hiring and training poll workers, renting and equipping polling places, and general office expenditures for their day-to-day operations.

PURPOSE/OBJECTIVE:

The audit objective included determining whether financial controls are effective to ensure proper recording of revenues and expenditures and the efficiency and effectiveness of financial operations. The audit also verified whether an adequate system of internal control exists to ensure the proper segregation of duties and compliance with their policies and procedures over revenues and expenditures.

SCOPE:

The scope of the audit included examining the controls over revenues and expenditures of the Supervisor of Elections for the period of January 1, 2006 through December 31, 2006. This included the review of account activity and financial transactions. In addition, internal controls were reviewed to ensure efficiency and effectiveness over financial operations. The audit did not include examining any controls over the election process.

METHODOLOGY:

Internal control evaluations were accomplished by flow charting the key operations of this specified area, discussions with management and staff, observations, and analytical and substantive testing of individual internal controls.

IRREGULARITIES, ABUSE, OR ILLEGAL ACTS:

No indications of irregularities, abuse, or illegal acts were discovered during the audit that could affect the financial accountability of the Supervisor of Elections for the audit period ending December 31, 2006.

TEST OF COMPLIANCE:

Tests of compliance were limited to the Supervisor of Elections Policies and Procedures manual over revenues and expenditures including purchasing. The results of these tests disclosed no instances of noncompliance that are required to be reported herein under Government Auditing Standards.

STATEMENT ON INTERNAL CONTROL STRUCTURE:

In planning and performing the audit of financial controls over the Supervisor of Elections for the period ending December 31, 2006, the internal control structure was considered in order to determine the auditing procedures for the purpose of this report. As a result, we did not note any significant matters involving the internal control structure and its operations that are considered reportable conditions under standards established by the U.S. General Accounting Office, *Government Auditing Standards*. Reportable conditions involve matters relating to significant deficiencies in the design or operation of the internal control structure, that in our judgment, could adversely affect the organization's ability to record, process, summarize and report on data consistent with management's intentions.

Our consideration of the internal control structure would not necessarily disclose all matters in the internal control structure that might be reportable conditions, as defined above. In addition, because of the inherent limitations in any internal control structure, significant deficiencies in the design or operation of the internal control structure may exist and not be detected. We noted no matters involving internal control over financial reporting and its operation that we consider to be material weaknesses.

MANAGEMENT TEAM AND MANAGEMENT ACTION PLAN:

A Management Action Plan will be used for each Area of Improvement reported. Management Action Plans are corrective actions with implementation dates developed in cooperation with the Supervisor of Elections, the Assistant Supervisor of Elections, and the Internal Audit Department.

MANAGEMENT SUMMARY:

The Supervisor of Elections has requested that the Internal Audit Department perform bi-annual audits of internal controls over the Office's financial operations. Based on the audit performed for the calendar year ending December 31, 2006, the Supervisor of Elections continues to properly account for revenue and expenditures efficiently and effectively. The Supervisor of Elections is properly charging and collecting for election services, petition verifications and other miscellaneous services. Expenditures are also properly approved and accounted for.

The Internal Audit Department has been performing financial audits of the Supervisor of Elections Office since January 2001. During this time, management has continued to improve by implementing effective internal controls over their operations. During the audit period ending December 31, 2006 no reportable audit findings were noted. As a result, it was recommended that the Financial Controls Audit be conducted every three years as opposed to the current bi-annual schedule. Management has agreed that this would be acceptable.

We would like to thank the Supervisor of Elections' personnel for the cooperation and courtesy afforded to our auditors throughout the audit. We support management's commitment to the continuous improvement and accountability of operations.

AUDIT REPORT AUTHORIZATION:

This audit report has been reviewed and authorized by:

R. B. "Chips" Shore
Director of Internal Audit

Richard J. Orienti, CIA, CFE
Clerk of the Circuit Court and Comptroller



Manatee County

Clerk of the Circuit Court and Comptroller

R.B. "Chips" Shore

P.O. Box 25400 • Bradenton, Florida 34206 • (941) 749-1800 • FAX (941) 741-4082 • www.clerkofcourts.com

MEMORANDUM

TO: Robert Sweat, Supervisor of Elections

FROM: R. B. "Chips" Shore, Clerk of the Circuit Court, County Comptroller and Auditor

DATE: October 24, 2007

RE: Internal Audit Report – Audit of Financial Controls

Enclosed is the Internal Audit Report for the Supervisor of Elections Audit of Financial Controls, which was performed as of December 31, 2006. We are pleased with the significant emphasis being placed by the management on financial controls over operations. As stated in the audit report, these internal controls appear to be working both efficiently and effectively, improving financial accountability.

I wish to thank you and your staff for their courteous and professional cooperation with our Internal Auditors throughout the audit. If you have any further questions regarding this report, please feel free to contact Richard Orienti at (941) 708-6001 extension 246.

RBS/RJO

Enclosures



Manatee County

Clerk of the Circuit Court and Comptroller

R.B. "Chips" Shore

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MEMORANDUM

TO: City Desk Editor, Bradenton Herald
City Desk Editor, Manatee AM
Islander Bystander
Sid Thomas, Editor
WHNZ, Newsroom
Longboat Key Observer (Attn: Shay Sullivan)

FROM: R. B. "Chips" Shore, Clerk of the Circuit Court, County Comptroller and Auditor

DATE: October 24, 2007

RE: Announcement of the Release of an Internal Audit Report

My office is releasing today the Internal Audit Report for the Supervisor of Elections Office Audit of Financial Controls, which was performed as of December 31, 2006. Copies may be obtained by contacting the Internal Audit Department at (941) 708-6001 Extension 246. Copies of the report can either be mailed or picked up at the Internal Audit Department, 1201 6th Avenue West, Suite 314.