



CLERK OF THE CIRCUIT COURT

Finance and Accounting

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November 7, 2018

Carlos Holt, City Auditor
City of Gainesville
200 East University Ave.
Gainesville, FL 32601

Dear Mr. Holt:

The Alachua County Clerk of the Court's Office ("Clerk") is in receipt of a copy of *the Independent Combined Communication Center Interlocal Agreement Agreed Upon Procedures* ("AUP") report prepared by the City of Gainesville Office of the City Auditor. The Clerk's staff has reviewed the report as well as the cover letter used to transmit the report to the Combined Communications Center Executive Board.

As noted in the background section of the AUP report, the interlocal agreement is a contract between the Alachua County Board of County Commissioners, Alachua County's Sheriff's Office, and the City of Gainesville. In general, the agreement apportions all expenses incurred for the Combined Communications Center between the participants based on calls for service.

To be clear, the Clerk's Office is not a legal party to the interlocal agreement. Instead, the Clerk's Office serves as an intermediary between the three parties in the interlocal agreement while maintaining independence and carrying out our official constitutional duties as ex officio Clerk of the Board of County Commissioners, auditor, recorder and custodian of county funds. In our role as an intermediary for this agreement, the Clerk's Office attempts to bring about consensus among the three parties as it relates to matters of invoice billing and payments for the Combined Communications Center.

The Clerk's Office stands ready to assist the City, County, and/or Sheriff with any updated procedures that they may recommend or implement in response to the AUP report to streamline the apportionment of all expenses for the CCC between the participants.

Lastly, in your transmittal letter to the CCC Executive Board, you noted two noncompliance issues related to the Clerk of Courts, Finance and Accounting Department. Below I've provided a response to each of the issues notated in your letter:

City Auditor Note 1 (item a. in the letter) - "Two monthly bills, subject to test-work from fiscal year 2016, were issued in arrears greater than two months."

Clerk Response - Based on past requests by city and county staff, it has been the practice to delay issuing invoice bills to the City at the start of a new fiscal year until the prior year true-up calculations are complete, especially in years in which it is estimated that the City will receive a refund from the prior fiscal year. The logic being that the City did not want to pay

new invoices until the pending refund from the prior year was processed. As agreed upon verbally by the parties, the invoices for October & November in FY16 were not billed by the Clerk's Office until December after the completion of the FY15 final true-up calculations.

Clerk's Recommendation to CCC Executive Board - The Clerk's Office recommends the interlocal agreement be amended to change the invoice billing language from monthly to quarterly.

City Auditor Note 2 (item c. in the letter) - "Both fiscal year 2016 and 2017 annual settlements were not issued until January/February of the following year."

Clerk's Response – While the interlocal agreement states the final amount should be presented to the City by November 15th, the Clerk's Office is not legally bound by this date when carrying out its official constitutional duties. The auditing function of the Clerk includes more than just the arithmetical determination as to the amount of the claim being submitted as the annual settlement. The Clerk has a duty to determine the legality of any refund or expenditure before disbursing funds. This action by the Clerk is in accordance with the purpose of the constitutional provision that makes the Clerk the ex officio auditor of the county, which is to provide a check and balance system that ensures proper expenditure of public funds.

The annual close out process for the CCC is very complicated and in some years requires formal action by the Board of County Commissioners, which sometimes doesn't occur until after November 15th. As an example, in order to have legally sufficient budget available to close out the CCC fund in FY17, the Board of County Commissioners had to approve a budget amendment which did not occur until November 28, 2017. The Clerk's Office would have been in violation of state law that year if we had tried to comply with the November 15th date in the interlocal and process all of the closing entries prior to November 28th. In both FY16 & FY17 the Clerk's Office remained in contact with city and county staff to keep them apprised of the ongoing status of the closeout process.

Clerk's Recommendation to CCC Executive Board - The Clerk's Office recommends the interlocal agreement be revised to require the annual settlement be completed by December 31st each year.

Sincerely,



Todd Hutchison
Finance Director
Alachua County Clerk of the Court

CC: Sadie Darnell, Sheriff
Anthony Lyons, City of Gainesville Manager
Michele Lieberman, County Manager