

**State Courts System
Office of Inspector General**

Status Report of Corrective Actions Taken

Auditor General Report Number 2012-176

Finding # 1

Audit Recommendation:

Those judicial-related agencies that have not done so should develop and implement fraud policies to aid in the detection and prevention of fraud.

SCS Response on 4/4/2012:

The State Courts System has drafted a fraud policy to be implemented upon approval of the Chief Justice. The policy identifies actions constituting fraud, incident reporting procedures, responsibility for fraud investigation, and consequences for fraudulent behavior. Necessary steps will be taken to educate employees, as well as other parties involved in a business relationship with the State Court System.

Status of Corrective Action on 10/1/2012:

The State Courts System has implemented a fraud policy to address mitigation, detection, and reporting of fraud. This policy was distributed to SCS personnel September 27, 2012.

Finding # 6

Audit Recommendation:

SCS should ensure that employees' p-card transaction reports are timely reconciled to supporting documentation and that the date of reconciliation is indicated. Additionally, procedures should be established to ensure that Trial Court Administrators approve p-card charges within the expenditure approval timeframes specified in law.

SCS Response on 4/4/12:

The State Courts System's Purchasing Card Program Policy was updated on November 1, 2011, to include deadlines for the P-card Administrator's review of transaction reports and deadlines for submission to the Finance and Accounting unit for timely reconciliation. An internal process has been developed to track late submission of reconciliation reports and trigger appropriate action, up to and including revocation of a cardholder's p-card. The policy has also been revised to include a paragraph that reads: "The cardholder submits receipts to the Trial Court Administrator/designee for 939.08 F.S., certification (if applicable) and then forwards to the approver for processing."

Additionally, on June 21, 2011, a memorandum was distributed to the Trial Court Administrators directing them to certify p-card invoices before the approver approved purchases in FLAIR. The P-Card Administrator monitors the certification dates and approval dates when the p-card packages are submitted to the General Services unit for review. Any inconsistencies with this policy will be reported to the General Services Manager for follow-up with the appropriate Trial Court Administrator.

Status of Corrective Action on 10/1/2012:

The Purchasing Card Administrator continues to track the receipt of reconciliation reports and submission of those reports to Finance and Accounting. The P-Card Administrator actively works with cardholders on any missing documentation to ensure compliance report submission deadlines.

The P-Card Administrator is continuing to audit for compliance on certification and approval dates. The P-Card Administrator is tracking all issues related to these dates and offers immediate training to any cardholder whose documentation was not approved as required in the program plan.