

PURVIS GRAY

July 19, 2022

Honorable Greg James
Clerk of Court and Comptroller
Wakulla County, Florida
3056 Crawfordville Highway
Crawfordville, Florida 32317

VIA EMAIL

Dear Mr. James:

We are writing this letter as a follow-up to our on-site test procedures performed on May 18, 2022. The purpose of our procedures was to test the amounts reported on the Title IV-D Services reimbursement invoices for compliance with Title 2 CFR Part 200 and the Florida Department of Revenue Invoice Completion Instructions, for agreement to the County's RMS and indirect cost rate percentages, and for mathematical accuracy and completeness. Our testing period included reimbursement invoices submitted for the period March 2021 through March 2022.

As a result of our testing, certain instances of non-compliance were noted. See attached **Appendix A** for a description of the findings noted. Please see attached **Appendix B** for the Clerk's written response to each finding regarding proposed or completed resolution of the issue.

We would like to thank you and your staff for your assistance in providing us with the information necessary to complete our engagement. Should you have any questions concerning the on-site test procedures, please do not hesitate to contact me at ryan@purvisgray.com or Daniel Stermer at dstermer@purvisgray.com, or we can be reached at 850-224-7144.

Respectfully Submitted,

PURVIS, GRAY AND COMPANY, LLP



Ryan M. Tucker, CPA
Partner

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APPENDIX A

Finding 2022-01 – Incorrect Calculation of Allocated Supervisor Personal Services Costs

During our review of reimbursable costs claimed on Line 1: Personal Services costs of submitted IV-D reimbursement invoices for the months of July 2021 and March 2022, we noted that the supervisor salary and benefits expense for 1 supervisory employee was incorrectly calculated by applying the percentage of RMS participants supervised to the applicable expenses prior to application of the expenses in Table 1, and then allocating the calculation at 100% in Table 1, rather than allocated on an individual basis based on number of RMS employees supervised divided by total employees supervised within Table 1.

To ensure compliance with the Florida Department of Revenue Title IV-D Reimbursement Invoice Completion Instructions, we recommend that all supervisors' salaries be included at their gross amounts in Table 1 and then allocated based on employee allocation percentages calculated using number of RMS employees supervised divided by total employees supervised within the Title IV-D Allocation Percentage column of Table 1.

Questioned Costs: Not applicable, net cost differential is \$0.

Finding 2022-02 – Overstatement of Line 2: Operating Expenses

During our review of reimbursable costs claimed on Line 2: Operating Expenses of submitted IV-D reimbursement invoices for the month of July 2021, we noted that Line 2 reimbursable expenses were overstated on the reimbursable Operating Expenses calculation at Table 2 due to improperly including previously claimed May 2021 operating expenses in the calculation of July 2021's operating expenses, effectively resulting in an overstatement of reimbursable Operating Expenses for the tested month.

To ensure compliance with the Florida Department of Revenue Title IV-D Reimbursement Invoice Completion Instructions, we recommend that all Line 2 amounts be calculated based upon appropriate inputs in the calculation of reimbursable Operating Expenses at Table 2.

Questioned Costs: Line 1 costs for July 2021 were overstated by \$62.87.

Finding 2022-03 – Overstatement of Line 3: Contractual Expenses =/ <\$50,000/Year

During our review of reimbursable costs claimed on Line 3: Contractual Expenses =/ <\$50,000/Year of submitted IV-D reimbursement invoices for the months of July 2021 and March 2022, we noted that Line 3 reimbursable expenses were overstated on the reimbursable Contractual Expenses =/ <\$50,000/Year calculation at Table 3 due to: 1) claiming an expense for reimbursement for which no sufficient supporting documentation was available in both July 2021 and March 2022, and 2) claiming court-related costs for July 2021 when there were no hearings, effectively resulting in an overstatement of reimbursable Contractual Expenses =/ <\$50,000/Year for the tested months.

To ensure compliance with the Florida Department of Revenue Title IV-D Reimbursement Invoice Completion Instructions, we recommend that all Line 3 amounts be calculated based upon appropriate inputs in the calculation of reimbursable Contractual Expenses =/ <\$50,000/Year at Table 3.

Questioned Costs: Line 3 costs for July 2021 were overstated by \$205.09 and Line 3 costs for March 2022 were overstated by \$233.12.

APPENDIX A

Finding 2022-04 – Calculation of Title IV-D Child Support Hearings Costs

During our testing of Title IV-D Child Support Services Reimbursement Invoices, we noted one instance of an incorrect number of units being applied to the calculation of Title IV-D Expense related to Child Support Hearings at Table 8 of the reimbursement invoice for March 2022, which resulted in a miscalculation of Line 24 – Title IV-D Child Support Hearings reimbursable expenses.

To ensure compliance with the Florida Department of Revenue Title IV-D Reimbursement Invoice Completion Instructions, we recommend that the correct number of units be applied to the calculation of reimbursable Child Support Hearings costs at Table 8.

Questioned Costs: Line 24 costs for March 2022 were overstated by \$46.48.

Finding 2022-05 – RMS Responses (Private response where case is Non-CSE)

During our testing of RMS time diaries, we noted 1 instance of time reported as CSE – Private during the month of March 2022 where the case being worked on was classified within the CLERC system as a Non-CSE case. Per the Florida Department of Revenue’s Time Diary Procedures Guide 1.1.22, Non-CSE is defined as “A work task related to a functional area within the clerk office that is not child support”.

To ensure compliance with the Florida Department of Revenue’s Time Diary Procedures Guide 1.1.22, we recommend that Non-CSE-related activities be included in the proper category for each moment sampled.

Questioned Costs: Not readily determinable.

APPENDIX B

Finding 2022-02 – Overstatement of Line 2: Operating Expenses: During our review of reimbursable costs claimed on Line 2: Operating Expenses of submitted IV-D reimbursement invoices for the month of July 2021, we noted that Line 2 reimbursable expenses were overstated on the reimbursable Operating Expenses calculation at Table 2 due to improperly including previously claimed May 2021 operating expenses in the calculation of July 2021's operating expenses, effectively resulting in an overstatement of reimbursable Operating Expenses for the tested month.

To ensure compliance with the Florida Department of Revenue Title IV-D Reimbursement Invoice Completion Instructions, we recommend that all Line 2 amounts be calculated based upon appropriate inputs in the calculation of reimbursable Operating Expenses at Table 2.

Questioned Costs: Line 1 costs for July 2021 were overstated by \$62.87

Response: We concur and have implemented a double check process to ensure only those costs related to the invoice period are picked up on the invoice.

Finding 2022-03 – Overstatement of Line 3: Contractual Expenses =/ < \$50,000/Year: During our review of reimbursable costs claimed on Line 3: Contractual Expenses =/ < \$50,000/Year of submitted IV-D reimbursement invoices for the months of July 2021 and March 2022, we noted that Line 3 reimbursable expenses were overstated on the reimbursable Contractual Expenses =/ < \$50,000/Year calculation at Table 3 due to: 1) claiming an expense for reimbursement for which no sufficient supporting documentation was available in both July 2021 and March 2022, and 2) claiming court-related costs for July 2021 when there were no hearings, effectively resulting in an overstatement of reimbursable Contractual Expenses =/ < \$50,000/Year for the tested months.

To ensure compliance with the Florida Department of Revenue Title IV-D Reimbursement Invoice Completion Instructions, we recommend that all Line 3 amounts be calculated based upon appropriate inputs in the calculation of reimbursable Contractual Expenses =/ < \$50,000/Year at Table 3.

Questioned Costs: Line 3 costs for July 2021 were overstated by \$205.09 and Line 3 costs for March 2022 were overstated by \$233.12.

Response: We concur with the finding, we no longer pick up a separate Bailiff/Security cost, since it is captured in the per hearing room cost allocation. Wakulla reimbursed the State for the overstatement of expenses.

Finding 2022-04 – Calculation of Title IV-D Child Support Hearings Costs: During our testing of Title IV-D Child Support Services Reimbursement Invoices, we noted one instance of an incorrect number of units being applied to the calculation of Title IV-D Expense related to Child Support Hearings at Table 8 of the reimbursement invoice for March 2022, which resulted in a miscalculation of Line 24 – Title IV-D Child Support Hearings reimbursable expenses.

To ensure compliance with the Florida Department of Revenue Title IV-D Reimbursement Invoice Completion Instructions, we recommend that the correct number of units be applied to the calculation of reimbursable Child Support Hearings costs at Table 8.

Questioned Costs: Line 24 costs for March 2022 were overstated by \$46.48.

Response: We concur and will ensure that only those hearing room costs are applied to the period being invoiced.

APPENDIX B

Finding 2022-05 – RMS Responses (Private response where case is Non-CSE): During our testing of RMS time diaries, we noted 1 instance of time reported as CSE – Private during the month of March 2022 where the case being worked on was classified within the CLERC system as a Non CSE case. Per the Florida Department of Revenue’s Time Diary Procedures Guide 1.1.22, Non-CSE is defined as “A work task related to a functional area within the clerk office that is not child support”.

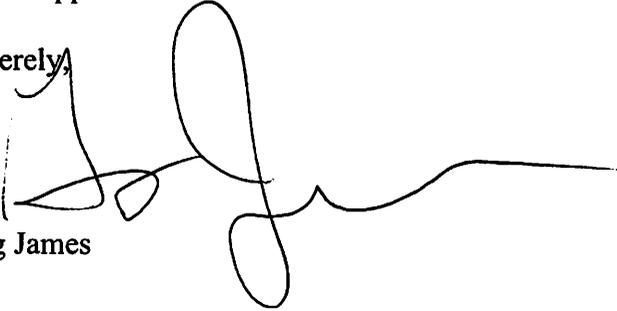
To ensure compliance with the Florida Department of Revenue’s Time Diary Procedures Guide 1.1.22, we recommend that Non-CSE-related activities be included in the proper category for each moment sampled.

Questioned Costs: Not readily determinable.

Response: We concur and will require that Non-CSE-related activities be properly categorized.

This review has provided a much needed level of assurance that we are in compliance with the statutes and laws of Florida related to Title 2 CFR Part 200 and the Florida Department of Revenue Completion Instructions. Again, thank you for your professional assistance in provide this Title IV-D Child Support review.

Sincerely,

A handwritten signature in black ink, appearing to read 'Greg James', written over a horizontal line. The signature is stylized with a large loop at the end.

Greg James