



Office of Tara S. Green
Clerk of the Circuit Court and Comptroller
Clay County, Florida
Division of Inspector General
Inspector General Charter

MISSION AND SCOPE OF WORK

The mission of the Division of Inspector General (Division) is to promote accountability and integrity in government and preserve public trust by providing independent and objective audit and investigative services designed to add value, improve the operations of the Clay County Clerk of the Circuit Court and Comptroller (Clerk) and the Clay County Board of County Commissioners (BOCC), and preserve public trust.

The Division of Inspector General provides independent, risk-based, and objective assurance, advice, insight, and foresight to help the Clerk and the County accomplish their objectives by utilizing a systematic, disciplined approach to evaluate and improve the effectiveness of governance, risk management, and control processes. To facilitate the prevention and detection of fraud, waste, and abuse, the Division of Inspector General also conducts investigations, coordinating with law enforcement and other investigative agencies as warranted. The Division of Inspector General enhances the County's decision-making and oversight, reputation and credibility with its stakeholders, and ability to preserve the public trust.

The Division of Inspector General is most effective when:

- Services are performed by competent professionals in conformance with professional standards, which are set in the public interest.
- The function is independently positioned with direct accountability to the Clerk of the Circuit Court and Comptroller.
- Team members are free from undue influence and committed to making objective assessments.

The scope of the Division of Inspector General's authority includes any operation under the direction of the Clay County Clerk of Court and Comptroller or the Clay County Board of County Commissioners. It also includes other functions for which the BOCC provides financial support as separate entities in its budget, or which the BOCC is the ex-officio governing body.

The State of Florida Attorney General, in opinion No. 86-38, stated that until legislatively or judicially determined otherwise, the Clerk, as ex-officio county auditor, is not authorized to perform post-audit functions on the records of other constitutional officers. Therefore, the scope of authority does not include other constitutional officers. However, if other constitutional officers have a need for the services in this charter, a Memorandum of Understanding (MOU), can be completed and signed.

The scope of the Division of Inspector General's work includes, but is not limited to the following:

A. Audit Services:

1. Review the reliability and integrity of financial and operating information and the means used to identify, measure, classify, and report such information.
2. Review the systems established to ensure compliance with policies, plans, procedures, laws, regulations, and governance standards.
3. Review the means of safeguarding assets and, as appropriate, verify the existence of such assets.
4. Assess the economy, efficiency and effectiveness with which resources are employed and management's operational control not strictly within the scope of financial statements.
5. Review operations or programs to ascertain whether the results are consistent with established objectives and goals and whether the operations or programs are being carried out as planned.

B. Investigations/Public Integrity Unit:

1. Investigate suspected inappropriate activity.
2. Notify the Clerk or County Manager/Administrator, as applicable, and such other County officials as appropriate, if an investigation substantiates that a fraudulent act has occurred.
3. Consult with law enforcement agencies, as necessary, if a substantiated fraudulent act has criminal implications to assist in the preparation and presentation of criminal findings in a court of law.
4. Administer oaths and compel the production of books, papers, and other evidence material to investigations.
5. Augment the Clerk's Civil Guardianship division and the 4th Judicial Circuit Court, Guardianship Assignments, by conducting higher level (II & III) case audits and investigations of guardianship activities.

MANDATE

By authority of the Constitution of the State of Florida, Article VIII, Section 1(d), "...*the clerk of circuit court shall be ex-officio clerk of the board of county commissioners, auditor, recorder and custodian of all county funds.*" The Constitution of the State of Florida, Article V, Section 16, also specifies that the Clerk shall have these duties quoted above.

For guardianship activities, by authority of Section 744.368 of the Florida Statutes, the Clerk, "*shall audit the verified inventory and the accountings. The clerk shall advise the court of the results of the audit.*"

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Pursuant to the legal authority and responsibility cited above, the Clerk has established the Division of Inspector General to fulfill the responsibilities of the office as they relate to audit and investigation functions other than the pre-audit of disbursements from BOCC funds. The Finance Division of the Clerk's office performs the pre-audit function. The Division of Inspector General's responsibilities include a post-audit review of that function, as well.

The Chief Audit Executive/Inspector General (CAE/IG) of the Division of Inspector General, in the discharge of his/her duties, shall be accountable to the Clerk to:

- Conduct internal audits of County operations and investigations of suspected fraud, waste, and abuse directed against County government.
- Report significant issues related to the processes for controlling the activities of County operations, including potential improvements to those processes, and provide information concerning such issues through recommendations.
- Coordinate with other control and monitoring functions (risk management, compliance, security, legal, ethics, environmental, external audit).

The CAE/IG and team members of the Division of Inspector General are authorized to:

- Have full and unrestricted access to all functions, records, property, and personnel to carry out responsibilities as it pertains to the County and the Clerk.
- Allocate resources, set frequencies, select subjects, determine scopes of work, apply the techniques required to accomplish audit, investigative, and consultation objectives, and issue reports.
- Obtain the necessary assistance of personnel in County units where they perform audits, investigations, and consultations, as well as other specialized services from within or outside of the County.

The CAE/IG and team members of the Division of Inspector General are not authorized to:

- Perform any operational duties for the County.
- Initiate or approve accounting transactions external to the Division of Inspector General.
- Direct the activities of any County employee not employed by the Division of Inspector General except to the extent such employees have been appropriately assigned to the Division of Inspector General or to otherwise assist the Division.

OVERSIGHT

To establish, maintain, and ensure that the Division of Inspector General has sufficient authority to fulfill its duties, the Clerk will:

- Discuss with the CAE/IG and senior management the appropriate authority, role, responsibilities, scope, and services (assurance and/or advisory) of the Division.
- Ensure the CAE/IG has unrestricted access to and communicates and interacts directly with the Clerk, including in private meetings without senior management present.

- Discuss with the CAE/IG and senior management other topics that should be included in the charter.
- Participate in discussions with the CAE/IG and senior management about the “essential conditions,” described in the *Global Internal Audit Standards*, which establish the foundation that enables an effective internal audit function.
- Approve the Division of Inspector General charter, which includes the mandate and the scope and types of services provided.
- Review the Division of Inspector General charter periodically with the CAE/IG to consider changes affecting the County, such as the employment of a new CAE/IG or changes in the type, severity, and interdependencies of risks to the County; and approve the charter update.
- Approve, as presented, the Division of Inspector General’s risk-based project plan.
- Review the Division of Inspector General’s expenses.
- Appoint and remove the CAE/IG, ensuring adequate competencies and qualifications and conformance with professional standards.
- Review and provide input on the CAE/IG’s performance.
- Receive communications from the CAE/IG about the Division of Inspector General including its performance relative to its project plan.
- Ensure a quality assurance and improvement program has been established and review the results, including any action plan, annually.
- Make appropriate inquiries of senior management and the CAE/IG to determine whether scope or resource limitations are inappropriate.

INDEPENDENCE AND OBJECTIVITY

To provide for the independence of the Division of Inspector General, its team members report to the CAE/IG, and the CAE/IG reports functionally and administratively to the Clerk. Since the Clerk is an elected Constitutional Officer, and thus responsible to the citizens and taxpayers of Clay County, the Clerk is considered to be independent.

The CAE/IG must communicate and interact directly with the Clerk. The Clerk, as County auditor, communicates with the BOCC, but this does not restrict the CAE/IG from communicating with the BOCC directly. The CAE/IG is authorized to bring matters directly to senior management and escalate matters to the Clerk or the BOCC, when necessary, without interference in order to maintain objectivity.

The CAE/IG and team members of the Division of Inspector General have no direct operational responsibility to, or authority over, any areas subject to its audit, review, and investigation. Accordingly, team members will not implement internal controls, develop procedures, install systems, or engage in other activities that may impair their judgment. Therefore, the Division of Inspector General is organizationally independent from those areas which it will be auditing, reviewing, and investigating.

The CAE/IG will confirm to the Clerk, at least annually, the organizational independence of the Division of Inspector General. The CAE/IG will ensure that the Division of Inspector General remains free from all conditions that threaten the ability of team members to carry out their responsibilities in an unbiased manner, including matters of engagement selection, scope, procedures, frequency, timing, and communication. If the CAE/IG determines that independence or objectivity may be impaired in fact or appearance, the details of the impairment will be disclosed to appropriate parties. The CAE/IG will disclose to the Clerk any interference team members encounter related to the scope, performance, or communication of work and results. The disclosure will include communicating the implications of such interference on the Division of Inspector General's effectiveness and ability to fulfill its mandate.

RESPONSIBILITY

The CAE/IG and team members of the Division of Inspector General have the authority and responsibility to:

- Develop a flexible annual project plan using an appropriate risk-based methodology, including any risk or control concerns identified by management, and submit that plan to the Clerk for review and approval.
- Implement the annual project plan including, as appropriate, any special tasks or projects requested by the Clerk or the BOCC.
- Initiate audits and investigations and assist management during the course of the year, even when the projects are not on the annual project plan.
- Conduct audits and investigations of all agencies within the scope defined above and issue reports thereon.
- Follow-up on audit and investigation findings and report on the status of recommendation implementation.
- Maintain a professional audit and investigative staff with sufficient knowledge, skills, experience, and professional certifications to meet the requirements of this Charter. The CAE/IG must hold at appointment or is required to obtain within a time certain after appointment, certification as a *Certified Inspector General*.
- Maintain professional objectivity at all times by applying an impartial and unbiased mindset and making judgments based on balanced assessments of all relevant circumstances.
- Establish and maintain a quality assurance and improvement program to evaluate and ensure the Division of Inspector General activities conform to policies, procedures, and professional standards, including the principles of ethics and professionalism: integrity, objectivity, competency, due professional care, and confidentiality. External assessments will be conducted at least once every five years by a qualified, independent assessor or assessment team from outside the Division of Inspector General; qualifications must include at least one assessor holding an active *Certified Internal Auditor* credential.

- Perform consulting services, beyond the Division of Inspector General's assurance services, to assist management in meeting its objectives. Examples may include facilitation, process design, and advisory services.
- Keep the Clerk informed of emerging trends and successful practices in auditing and investigating.
- Establish and maintain mechanisms to receive reports of fraud, waste, and abuse and conduct investigations as indicated in the circumstances.
- Consider the scope of work of the external auditors and regulators, as appropriate, for the purpose of providing optimal audit coverage to the organization at a reasonable overall cost.

STANDARDS OF AUDIT AND INVESTIGATIVE PRACTICES

The Division of Inspector General is committed and will adhere to the following professional standards:

1. The mandatory elements of The Institute of Internal Auditors' *International Professional Practices Framework*, which are the *Global Internal Audit Standards* and *Topical Requirements*.
2. *Principles and Standards for Offices of Inspector General* of the Association of Inspectors General

The CAE/IG will report periodically to the Clerk and senior management regarding the Division of Inspector General's conformance with the aforementioned professional standards, which will be assessed through a quality assurance and improvement program.

While this Charter is not intended to fully reiterate the standards of audit and investigative practices, it is intended to be consistent with applicable standards and should be interpreted in a manner consistent with those standards. Standards not directly incorporated into this Charter shall nonetheless be fully and appropriately applicable to the Division of Inspector General.

CHARTER UPDATES

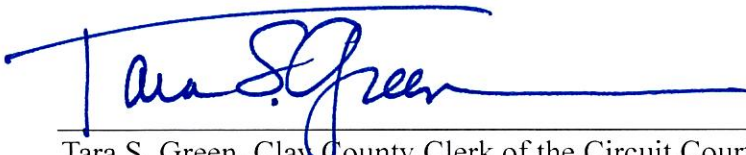
Periodically, the CAE/IG will assess whether changes in circumstances justify a discussion with the Clerk and/or senior management on the Division of Inspector General's mandate or other aspects of this Charter. Such circumstances may include, but are not limited to:

- A significant change in the *Global Internal Audit Standards*
- A significant reorganization within the organization
- Significant changes in the CAE/IG, Clerk, and/or senior management
- Significant changes to the County's strategies, objectives, risk profile, or the environment in which the organization operates
- New laws or regulations that may affect the nature and/or scope of the Division of Inspector General

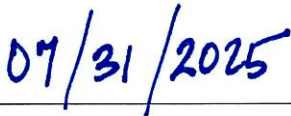
APPROVAL



Nick Miller, Chief Audit Executive/Inspector General



Tara S. Green, Clay County Clerk of the Circuit Court and Comptroller



Date