



REPRESENTING
ALEX SINK
CHIEF FINANCIAL OFFICER
STATE OF FLORIDA

February 4, 2010

The Honorable Howard C. Forman
Broward County Clerk of the Courts
Broward County Courthouse, Room 270
201 S. E. Sixth Street
Fort Lauderdale, Florida 33301

Dear Mr. Forman:

I am writing to you in your capacity as the Chairman of the Executive Council of the Florida Clerk of Courts Operations Corporation (CCOC). I must bring to the attention of the CCOC its failure to comply with the requirements of Section 215.20, Florida Statutes (2009), with respect to the Clerk of Courts Trust Fund. The Department of Financial Services understands that court-related revenues have not been meeting the projections on which individual clerks of court based their court-related budgets for FY 2009-2010. Nevertheless, it is vitally important that the CCOC, as a state agency, administer its trust fund in accordance with applicable law that requires every non-exempt trust fund to pay a service charge to General Revenue. *See* Section 215.20(1), Fla. Stat (2009).

The Clerk of Courts Trust Fund is not identified in Section 215.22, Florida Statutes, as exempt from this service charge. Consequently, the Clerk of Courts Trust Fund is subject to the charge as a matter of law. Under the Department's Agency Addressed Memorandum No.18 (2005-2006), state agencies must voluntarily remit their service charge obligations to the Department of Financial Services for deposit into the General Revenue Fund on a quarterly basis. A copy of this memorandum is attached. Although the first two quarters of FY 2009-2010 have elapsed, no payment has yet been remitted by CCOC for the service charge obligations of the Clerk of Courts Trust Fund. By our calculations, the total sum owing from the Clerk of Courts Trust Fund for the overdue quarters is \$17,262,621.36.

The Department of Financial Services is obligated to confirm that state agencies pay their applicable General Revenue Fund service charges. *See* Section 215.23, Fla. Stat. (2009). We are aware of the funding issues flowing from the CCOC's transition to state agency status, and we are committed to avoiding, to the maximum extent possible, any additional adverse impact to

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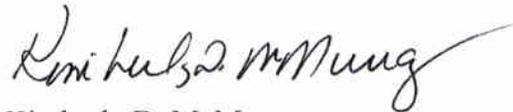
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Florida's court system. We believe that all extenuating circumstances, including court-related revenue collection levels, must be taken into consideration, but it is imperative that the CCOC take immediate steps to pay down its liabilities.

We request that the CCOC submit to the Department a reasonable and feasible plan containing a realistic payment schedule under which the service charges due under Section 215.20(1), Florida Statutes, will be paid off by the CCOC. We know that the CCOC has been discussing this issue for some time, and we encourage the CCOC to submit its payment schedule as soon as possible, and, in any event, no later than February 22, 2010. If, however, the CCOC fails to submit a reasonable plan for timely payment by that date, the Department will be compelled to deduct the unpaid service charges by means of a journal transfer from the trust fund to the General Revenue Fund.

Sincerely,



Kimberly D. McMurray

KDM:sa

Enclosure

cc: Mr. John Dew, Executive Director
Florida Clerks of Court
Operations Corporation

Mr. Joseph R. Boyd, Esquire
General Counsel
Florida Clerks of Court
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