August 19, 2026

The Honorable James M. Swisher, Jr.
Clerk of Circuit Court & Comptroller
Columbia County
Post Office Box 2069
Lake City, Florida 32056

Dear Clerk Swisher,

We completed our Article V Clerk of the Circuit Court Compliance Audit in accordance with Florida Statutes. Enclosed is a copy of our final report. Please provide a response within five (5) business days.

We appreciate your advanced preparation for our audit and the courtesy extended to our team. We look forward to working with your office in the future.

Please contact Kim Holland at (850) 413-5700 or Kim.Holland@myfloridacfo.com if you have any questions.

Sincerely,

[redacted]

Renée Hermeling

RH/avg

Enclosure

BLAISE INGOGLIA
CHIEF FINANCIAL OFFICER
STATE OF FLORIDA

Florida Department of Financial Services

COLUMBIA COUNTY
CLERK OF THE CIRCUIT COURT
COMPLIANCE AUDIT

Report No. 2026-157
August 19, 2026

WHY WE DID THIS AUDIT

The Florida State Constitution requires that selected salaries, costs, and expenses of the state courts system and court-related functions shall be funded from a portion of the revenues derived from statutory fines, fees, service charges, and court costs collected by the clerks of the court and from adequate and appropriate supplemental funding from state revenues as appropriated by the Legislature.[1]
In order to ensure compliance, the Chief Financial Officer (CFO) has contracted with the Florida Clerk of Court Operations Corporation (CCOC) to establish a process for auditing the State funded portion of court-related[2] expenditures of the individual Clerks pursuant to State law.[3] The audits are conducted by the Department of Financial Services (DFS), Bureau of Auditing, Article V Section. It is the practice of the Department to conduct these audits every three to five years.

WHAT WE FOUND

We concluded that, overall, the sampled Clerk's office administrative and payroll expenditures generally complied with applicable State laws, and funds were expended for allowable court-related costs and that transactions were accurate, properly approved and recorded, and served a public purpose. Exceptions are noted in the Observations and Recommendations section below.

WHAT WE DID

Our audit included an examination of accounts and records, and the sampling of various court-related transactions related to administrative and payroll expenditures for County Fiscal Years (CFY) 23-24, CFY 24-25, and CFY 25-26 (through April 2026). The following objectives have been established for the audit of court-related expenditures:

- Evaluate whether court-related expenditures were in compliance with State laws.[4]
- Evaluate whether court-related expenditures were properly authorized, recorded, and supported.
- Evaluate whether expenditures were within the budgeted appropriations.
- Evaluate the accuracy and completeness of expenditures reported on the Clerk of Court Expenditure and Collections Report.
- Evaluate whether the Clerk's salary and total payroll costs were within the applicable caps established by the Florida Legislature's Office of Economic and Demographic Research.

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[1] Section 14(b), Art. V, Florida Constitution.
[2] Court-related expenditures may be funded from County, State, or Federal sources.
[3] Section 28.35(2)(e), Florida Statutes.
[4] Sections 28.35(3)(a), 28.37(6), and 29.008, Florida Statutes.

- Evaluate the Clerk's methodology for allocating payroll costs between court and non-court related functions.
- Evaluate whether ten percent (10%) of all court-related fines collected are deposited into the fines and forfeiture fund and used exclusively for court-related functions.[5]

COLUMBIA COUNTY AT A GLANCE

The Columbia County Clerk of the Circuit Court and Comptroller serve a population of 72,155.[6]

Table 1 shows the budgeted and actual expenditures for each fiscal year reviewed. Juror expenditures are not included.

Table 1 – Budgeted and Actual Expenditures

Year	Budgeted	Actual
CFY 23-24	$1,664,122	$1,607,453
CFY 24-25	$1,846,836	$1,736,058

Source: CCOC Budget Letter and Expenditure and Collection (EC) reports. Juror expenditures are not included.

The budgeted growth from October 2023 through September 2025 was 11.0%. The actual expenditures increased by 8.0% from October 2023 through September 2025.

Table 2 shows the budgeted and actual Full-Time Equivalent (FTE) positions, who charge either all or a portion of employee time to court-related duties. The budgeted number of FTEs includes vacant positions. The actual number of FTEs includes only filled positions and is based on the October 2023 and October 2024 FTE allocation reports.

Table 2 – Budgeted and Actual Full Time Equivalents

Year	Budgeted	Actual
CFY 23-24	23.74	27.07
CFY 24-25	24.92	28.67

The budgeted FTEs increased by 5.0% for the period October 2023 through September 2025. The actual number of FTEs increased by 5.9% over the same period.

STATUS OF PRIOR AUDIT RECOMMENDATIONS

The Department conducted an audit of the Columbia County Clerk of the Circuit Court in July 2018 (Report No. 2018-27) and had two (2) recommendations. A subsequent follow-up audit in December 2022 (Report No. 2022-99) found that the two (2) recommendations remain ongoing:

- The 2018 audit recommended that the Clerk's office only fund those expenditures that are in accordance with Florida Statutes. The 2022 follow-up audit found this recommendation was still ongoing.

[5]Section 28.37(6), Florida Statutes.

[6]The Florida Legislature's Office of Economic and Demographic Research Report Salaries of Elected County Constitutional Officers and School District Officials for Fiscal Year 2025-2026, October 2025. http://edr.state.fl.us/Content/local-government/reports/finsal25.pdf

- The 2018 audit recommended that the Clerk's office maintain workload documentation to accurately allocate FTE personnel and payroll between court-related and non-court related functions. The 2022 follow-up audit found this recommendation was still ongoing.

OBSERVATIONS AND RECOMMENDATIONS

Overall, the Clerk's court-related expenditures were in compliance with sections 28.35(3)(a) and 29.008, Florida Statutes (F.S.), and internal controls and procedures were in place for proper reporting, except for the following items:

Internal Controls

Purchasing and Procurement Policy

A sound purchasing and procurement policy is a fundamental internal control for any organization. An effective policy should include, at a minimum, clear procedures for the following areas:

- Delegation and spending levels.
- Pre-authorization and purchase order (PO) issuance.
- Acceptance and verification procedures.
- Purchasing card expenditures, including procedures for monthly reconciliations.

The Clerk's office lacks a comprehensive written purchasing and procurement policy as well as a formal credit card purchasing policy governing the expenditure of court-related funds. The office provided two limited purchasing policies – one revised October 1, 2008, and another revised October 1, 2025. During our testing of administrative expenditures, we noted the following exceptions:

- For three (3) expenditures totaling $2,534, the Clerk's office was unable to provide documentation demonstrating that the goods received matched the purchase orders.
- For nine (9) expenditures totaling $17,473, the Clerk's office was unable to provide documentation indicating the expenditures were approved prior to purchase. This is contrary to the 2008 policy that required all purchases to be pre-approved by the Finance Director or the Clerk, and the 2025 policy, which required pre-approval for purchases over $500.
- During our review of the purchasing card statements, we noted that they did not have the signature or date of reconciliation. Due to recent employee turnover, the Clerk's office was unable to provide evidence that someone prepared and reviewed the statements. Also, there was no indication of a final supervisory approval signature and sign-off date.
- For two (2) sample items reviewed totaling $3,250, no documentation was provided to show that three (3) written quotes were obtained, contrary to the 2008 policy that stated that purchases in excess of $1,500 require three (3) written bids.

We recommend that the Clerk's office prioritize the development and full implementation of comprehensive purchasing and procurement policies. The policy should incorporate best practices, clear guidelines, and include adequate internal controls to ensure court-related funds are expended appropriately.

Additionally, we recommend the Clerk's office take the following actions:

- Strengthen procedures to ensure goods and services are properly approved, received, and documented.
- Implement consistent reconciliation and review processes for purchasing card statements.
- Adhere to the purchasing policies in place so that purchases are made at the most competitive price.

Bank Signatories and Reconciliations

Proper internal controls require the Clerk's office establish and maintain rigorous control activities to safeguard assets against unauthorized disbursements, fraud, and misappropriation. Sound oversight requires the Clerk's office maintain current bank signature cards for all operational accounts to ensure only authorized personnel have banking access. A dual-authorization process requires a minimum of two authorized signatures on file, and the financial and administrative records must remain available for the entire audit period for audit verification.

Bank reconciliations should include the requirement for separation of duties such as documentation of the individual who prepared, who reviewed and who approved the reconciliation as well as the dates of the completion and review. Without indication of the date prepared and independent review, there is no assurance that the bank reconciliations are being completed in a timely manner.
During the audit of the bank accounts and subsequent substantive testing of bank reconciliations, the following internal control issues were identified:

- **Signature Requirements:** The Clerk's office maintained a single-signor bank signature card on the First Federal Bank account rather than dual-authorization during the audit period.
- **Bank Reconciliations:** We reviewed the bank reconciliations for September 2024 and September 2025. Neither reconciliation included the names of the preparer and reviewer, or the specific dates of preparation and approval. Additionally, the Clerk's office was unable to provide the backup documentation for the reconciliations.

We recommend that management implement the following steps to reinforce internal controls and to reduce the risk of errors or irregularities:

- **Update signature mandates:** Coordinate with financial institutions to update all bank signature cards to include dual signors.
- **Bank Reconciliations:** Establish procedures related to bank reconciliations that include documentation of the individual who prepared and reviewed the statements, the date prepared and reviewed, and a "Reconciliation Status Log" to track completion dates and ensure that the account reconciliations are reconciled according to the schedule. We also recommend retaining all backup documentation for audit purposes.

Payroll Processing Procedures

Effective internal controls over payroll processing require comprehensive, written procedures that clearly outline all key control activities. These include proper authorizations, supervisory reviews, verified timesheets, approved leave requests, and documented salary rates. These procedures are critical to maintaining an appropriate segregation of duties and ensuring the accuracy, legitimacy, and completeness of payroll expenditures.

The Clerk's office has developed desk-level instructions titled "Payroll Processing Procedures." However, these instructions only reference the data entry process and failed to address the overall payroll approval process or outline the controls necessary to ensure appropriate segregation of duties, particularly regarding personal status changes or personal action forms (PAFs).

During our testing, we noted four (4) instances where employees' pay rates in the payroll system did not agree with the approved rate changes in their PAFs. Upon inquiry, the Clerk's office stated that the prior Human Resource director did not keep adequate records. The accurate approved pay rates never made it into their personnel file.

We recommend that the Clerk's Office develop and implement comprehensive written payroll procedures that address the full payroll process. These procedures should include, at a minimum:

- A clear description of the payroll approval flow, including the specific roles responsible for authorizing salary rates, time sheets, leave requests, and final payroll certification.
- Requirements for maintaining proper segregation of duties throughout the payroll process.
- Standardized documentation to evidence the approval of initial salary rates and all subsequent changes (such as a Personnel Action Form or equivalent form); and
- Procedures for supervisory review and approval of timesheets and leave usage.

The Clerk's office should also establish a process to ensure that approved salary rates and changes are properly documented and retained for each employee before payroll processing occurs. Implementation of these controls will strengthen the accuracy, completeness, and integrity of payroll expenditures and reduce the risk of errors or unauthorized payments.

Unallowable Expenditures

Computer Technology

Section (s.) 29.008(1)(f)1 and 2, F.S., require counties to fund the cost of communication services which include wireless communications, cellular telephones, facsimile equipment, all computer networks, systems, and equipment, including computer hardware and software, modems, printers, wiring, network connections, and maintenance.

Section 28.37(6), F.S., states that 10% of all court-related fines collected by the Clerk's office, except for penalties or fines distributed to counties or municipalities under s. 316.0083(1)(b)3 or s. 318.18(15)(a), must be deposited into the fine and forfeiture fund to be used exclusively for clerk court-related functions, as provided in s. 28.35(3)(a), F.S. These 10% revenues should be tracked against the 10% expenditures to ensure the expenditures do not exceed the revenues collected.

During our testing of the Clerk's office administrative expenditures, we noted thirteen (13) instances totaling $24,839, in which the expenditures, contrary to statutory guidance, were allocated as court costs, or were not authorized as reasonable administrative support costs. While these expenditures could have potentially been paid from the 10% revenues, the Clerk's office was unable to provide documentation demonstrating a method for tracking the 10% revenues against the expenditures.

We recommend the Clerk's office ensure that its court-related expenditures are allowable according to s. 29.008(1)(f)1, F.S. We also recommend the Clerk's office establish and maintain a formal method for tracking the 10% fine revenues against related expenditures to ensure that expenditures do not exceed the revenues collected, consistent with s. 28.37(6), F.S.

Allocation Methodology

A sound allocation methodology is a fundamental internal control for any organization. Accounting estimates should be based on an accumulation of relevant, sufficient, and reliable data and compared to subsequent actual data to determine the reliability of the estimate. These estimates should be regularly compared against subsequent actual metrics to verify accuracy and ensure an accurate appropriation of State funds.

The Clerk's office utilizes subjective yearly estimates of "hours worked" rather than a time study or specific metrics, such as historical case counts or transaction logs. Management establishes a master allocation matrix primarily based on projected hours worked and FTE percentages (Allocation workbook). The Clerk's allocation methodology uses the annualized framework Allocation workbook to distribute shared personnel service costs and fringe benefits across internal departments. The Clerk's office was unable to provide the master allocation workbooks for FY 2023-2024 and FY 2024-2025 to validate the FY 2025-2026 allocation percentages applied within the allocation matrix. Management stated that the historical allocations workbooks were prepared and maintained solely by the previous Finance Director. During our review of the audit documents provided by the Clerk's office, we noted the following:

- The allocation data on the List of Employees table and the Allocations workbook for six (6) employees did not agree.
- For three (3) payroll samples, the allocations indicated in the Allocations workbook did not agree with the allocations in the payroll system.

Without an accurate basis for allocating costs, the Clerk's office has no assurance that the estimates used for budgeting purposes are accurate or need to be revised for the next budget cycle. We recommend that the Clerk's office establish a systematic approach to sampling employees' time and effort between court-related and non-court related activities. The methodology should include a basis for concluding whether the budgetary estimates are accurate. The Clerk's Office may consider adopting a sampling methodology, such as those used by Palm Beach or Pasco Counties, which are suitable for offices of varying sizes. These methodologies are available on the CCOC website: https://flccoc.org/clerks-budget/.