



CHIEF FINANCIAL OFFICER
JIMMY PATRONIS
STATE OF FLORIDA

July 13, 2023

The Honorable Sam Bailey
Clerk of Circuit Court
Holmes County
201 North Oklahoma Street
Bonifay, Florida 32425

Dear Mr. Bailey,

We completed our Article V Clerk of the Circuit Court Follow-Up Review Audit in accordance with Florida Statutes. Enclosed is a copy of our final report.

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,

A black rectangular box redacting the signature of Kim Holland.

Kim Holland

KH/daw

Enclosure

FLORIDA DEPARTMENT OF FINANCIAL SERVICES
Kim Holland • Bureau Chief
Division of Accounting and Auditing
200 E. Gaines Street • Tallahassee, FL 32399-0353 • Tel. (850) 413-5700 • Fax (850) 413-2193
Email • Kim.Holland@myfloridacfo.com
AFFIRMATIVE ACTION • EQUAL OPPORTUNITY EMPLOYER



**JIMMY PATRONIS
CHIEF FINANCIAL OFFICER
STATE OF FLORIDA**

Florida Department of Financial Services

**HOLMES COUNTY CLERK OF THE CIRCUIT COURT
AUDIT FOLLOW-UP**

Report No. 2023-115/July 13, 2023

BACKGROUND AND CONTEXT

The Department of Financial Services (Department) has completed a follow-up review of the Holmes County Clerk of the Court. The Department performed an audit of the Holmes County Clerk of the Circuit Court in August 2020, Report No. 2020-55. The auditors noted four (4) audit recommendations. A follow-up review was scheduled to review the implementation status of these audit recommendations.

OBJECTIVE AND SCOPE

The objective of the follow-up review was to determine the implementation status of prior audit observations and recommendations. The approach included interviews with staff members and an analysis of relevant files and supporting documentation.

The desk review covered County Fiscal Year 2021-2022

STATUS OF PRIOR AUDIT OBSERVATIONS &

The auditors concluded that two (2) recommendations were partially implemented, and two (2) recommendations were implemented.

The summary of the audit recommendation status is as follows:

#	SUMMARY OF RECOMMENDATION	STATUS
1.	We recommend the Clerk's office establish a method for sampling employees' time and effort between court-related and non-court related functions to ensure the allocation of payroll expenditures reflect an accurate appropriation of State funds. The methodology should include a basis for concluding whether the budgetary calculations are accurate. The Clerk's office may consider using a sampling method such as a time study, case file reporting, or guidance such as that found in Code of Federal Regulation (2 CFR 200), Appendix V.	The Clerk's office completed a time study method to ensure the allocation of payroll expenditures reflect an accurate appropriation of State Funds. This recommendation has been implemented.

2.	<p>We recommend the Clerk's office enhance the Purchasing Policy to include P-Card procedures and guidelines to ensure that purchases are in accordance with policy. We recommend the Clerk's office document that all purchases are authorized, and to have a separate individual verify and document that all goods and services received match the goods or services ordered.</p>	<p>The Clerk's office has a purchasing policy in place that includes separation of duties and provided adequate documentation to support the purchases reviewed. For clarification, the term "P-Card" is used as reference to any type of purchasing card, such as a credit card, not the State P-Card. In the Clerk's response to the prior audit report, the Clerk stated that the purchasing policy would be revised to include credit card purchases. Based on the auditor's review, the purchasing policy has not been revised to include credit card purchases. This recommendation has been partially implemented.</p>
3.	<p>We recommend that all travel reimbursements are carefully reviewed by a secondary person prior to payment to ensure all travel is in accordance with State laws.</p>	<p>The Clerk's travel policy was revised on 8/12/2020 stating, "All travel is reviewed by the Finance Director after it has been received. The Clerk's signature is required on all travel." Based on the auditor's review, the Clerk's Office is not in compliance with the revised policy. This recommendation has been partially implemented.</p>
4.	<p>While we recognize the small size of the Clerk's office staff, we recommend that the bank reconciliations include documentation of the individual who prepared and reviewed them as well as documentation indicating the date prepared and reviewed.</p>	<p>The Clerk's office has maintained documentation of the bank reconciliations indicating the preparer (Finance Director), date prepared, and the reviewer (Clerk) and the date reviewed. This recommendation has been implemented.</p>