



CHIEF FINANCIAL OFFICER
JIMMY PATRONIS
STATE OF FLORIDA

January 28, 2025

The Honorable Gregory Harrell
Clerk of Circuit Court & Comptroller
Marion County
110 Northwest First Avenue
Ocala, Florida 34475

Dear Clerk Harrell,

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.

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,

Renée Hermeling

RH/avg

Enclosure



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

Florida Department of Financial Services

**MARION COUNTY
CLERK OF THE CIRCUIT COURT
COMPLIANCE AUDIT**

**Report No. 2025-137
January 24, 2025**

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-related² 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) 22-23 and CFY 23-24. 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.

¹Section 14(b), Art. V, Florida Constitution.

²Court-related expenditures may be funded from county, State, or Federal sources.

³Section 28.35(2)(e), Florida Statutes.

⁴Sections 28.35(3)(a), 28.37(6), and 29.008, Florida Statutes.

- 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.
- 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

MARION COUNTY AT A GLANCE

The Marion County Clerk of the Circuit Court and Comptroller serves a population of 403,966.⁶



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

Year	Budgeted	Actual
CFY 22-23	\$6,684,670	\$6,139,290
CFY 23-24	\$7,088,806	\$6,746,263

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

The budgeted growth from October 2022 through September 2024 was 6.0%. The actual expenditures increased by 9.9% from October 2022 through September 2024.

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.

Year	Budgeted FTEs	Actual FTEs
CFY 22-23	114.41	113.15
CFY 23-24	116.43	111.30

The budgeted FTEs increased for the period October 2022 through September 2024 by 1.7%. The actual number of FTEs decreased by 1.6% for the period October 2022 through September 2024.

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 2024-2025, October 2024. <http://edr.state.fl.us/Content/local-government/reports/finsal24.pdf>.

STATUS OF PRIOR AUDIT RECOMMENDATIONS

The Department performed an audit of the Marion County Clerk of the Circuit Court in July 2016, Report No. 2016-06. The auditors noted the following recommendation:

1. We recommended 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 expenditures reflects an accurate appropriation of State funds. We conducted a follow-up audit in September 2021, Report No. 2021-71, and the recommendation had been implemented.

OBSERVATIONS AND RECOMMENDATIONS

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

Internal Controls

Purchasing Policy

A key internal control at any organization should include a purchasing policy. An effective purchasing policy should include, at a minimum, topics such as the following:

- Contract signing authority.
- Purchasing authority levels.
- The delegation of authority.
- Purchasing process and accepted procedures.
- Invoices and accepted procedures.
- Purchase orders and pre-authorizations.
- Credit Card for Purchasing Process and Procedures.

The Clerk's office has no written purchasing policy for the expenditure of court-related funds. They did provide a brief narrative of the purchasing process.

We recommend the Clerk's office establish a written purchasing policy to provide employees with best practices, purchasing guidelines, and include adequate internal controls to ensure that court-related funds are expended appropriately.



GREGORY C. HARRELL
CLERK OF COURT AND COMPTROLLER – MARION COUNTY, FLORIDA

CLERK OF COURT
RECORDER OF OFFICIAL RECORDS
CLERK AND ACCOUNTANT OF THE BOARD OF COUNTY COMMISSIONERS
CUSTODIAN OF COUNTY FUNDS AND COUNTY AUDITOR

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January 30, 2025

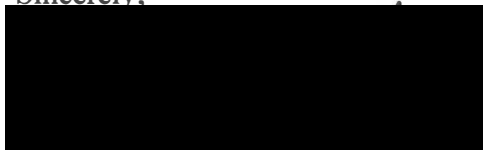
Renée Hermeling, Director
Florida Department of Financial Services
Division of Accounting and Auditing
200 E. Gaines Street
Tallahassee, FL 32399-0353

RE: Marion County Article V Clerk of the Circuit Court Compliance Audit

Dear Ms. Hermeling:

In response to Marion County Clerk of the Circuit Court Compliance Audit Report No. 2025-137, we agree with the recommendation that the Clerk's office establish a written purchasing policy. We will expand upon our purchasing process narrative that was provided during the audit and develop a written policy.

Sincerely,



Gregory C. Harrell
Clerk of Court and Comptroller
Marion County, Florida