CHIEF FINANCIAL OFFICER
BLAISE INGOGLIA
STATE OF FLORIDA

July 30, 2026

The Honorable Matt Reynolds
Clerk of Circuit Court & Comptroller
Putnam County
Post Office Box 758
Palatka, Florida 32178

Dear Clerk Reynolds,

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

FLORIDA DEPARTMENT OF FINANCIAL SERVICES
Renée Hermeling • Director
Division of Accounting and Auditing
200 E. Gaines Street. • Tallahassee, FL 32399-0353 • Tel. (850) 413-5510
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EQUAL OPPORTUNITY EMPLOYER

BLAISE INGOGLIA
CHIEF FINANCIAL OFFICER
STATE OF FLORIDA

Florida Department of Financial Services

PUTNAM COUNTY
CLERK OF THE CIRCUIT COURT
COMPLIANCE AUDIT

Report No. 2026-156
July 30, 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 January 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.

[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 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]

PUTNAM COUNTY AT A GLANCE

The Putnam County Clerk of the Circuit Court and Comptroller serves a population of 76,138..[6]

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

Table 1

Year	Budgeted	Actual
CFY 23-24	\$2,314,894	\$2,249,189
CFY 24-25	\$2,469,317	\$2,349,133

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 6.6%. The actual expenditures increased by 4.4% 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

Year	Budgeted	Actual
CFY 23-24	32.48	34.05
CFY 24-25	32.90	37.28

The budgeted FTEs decreased by 1.2% for the period October 2023 through September 2025. The actual number of FTEs increased by 9.4% over the same period.

STATUS OF PRIOR AUDIT RECOMMENDATIONS

The Department conducted an audit of the Putnam County Clerk of the Circuit Court in August 2021 (Report No. 2021-68). In that report, auditors recommended the following:

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[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.

- That the Clerk's office maintain documentation to support the use of workloads in determining the allocation of FTEs between court-related and non-court related functions and to ensure the allocation of payroll and administrative expenditures reflects an accurate appropriation of State funds. This recommendation has been fully 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 (F.S.), and internal controls and procedures were in place for proper reporting, except for the following items:

Internal Controls

Travel Policy

The Clerk's travel policy (*Section III – Compensation – Training and Travel Expenses*) states that meals are reimbursed according to State guidelines. Section 112.061, F.S., outlines specific hourly windows for determining eligibility for meal reimbursements during travel, particularly for attendance at conferences or conventions. Additionally, the Clerk's policy requires pre-authorization of all travel prior to registration for conferences or events. Proper documentation, including arrival and departure times on travel reimbursement forms, is necessary to support meal claims and ensure compliance.

During our review of the *Authorization and Reimbursement Forms for Travel*, we noted the following:

- One (1) travel form reviewed did not include the arrival and departure times. The employee was reimbursed for breakfast and lunch totaling $17 despite both the departure and return times omitted.

- According to the Clerk's travel policy, travelers must use the *Travel Authorization Request & Reimbursement Form* and have it fully approved before finalizing any reservation or registration. One (1) travel form reviewed was approved after the trip was completed.

- For one (1) travel form, the Depart and Return dates on the request form were different from the dates of the actual start and end dates of the training.

- One (1) travel form and supporting documentation was not provided.

- For one (1) travel form, no formal agenda was provided other than an email showing the location, dates, times, and topics that were included in the scheduled training.

We recommend the Clerk's office enhance its travel policy to include instructions for completing the required forms. We also recommend additional training for the employees reviewing the forms prior to payment to ensure that the court-related expenditures are appropriately reimbursed.

Bank Signatories and Reconciliations

Proper internal controls dictate that the Clerk's office must establish and maintain rigorous control activities to safeguard assets against unauthorized disbursements, fraud, and misappropriation. Sound accounting principles and best business practices dictate that current bank signature cards for all operational accounts to authenticate authorized access be maintained. Furthermore, a dual-authorization process should be established, requiring at least two authorized signatures on file. Finally, financial and administrative records must remain available for the entire audit period to permit verification and ensure proper oversight.

During the audit of the Putnam bank accounts and subsequent substantive testing of bank reconciliations, the following internal control issues were identified:

- Signature Requirements: The Clerk's office maintained single-signor bank signature cards on six (6) accounts across Capital City Bank and South State Bank rather than dual-authorization during the audit period beginning October 1, 2023.

- Untimely Bank Reconciliations: We reviewed the bank reconciliations for September 2024 and September 2025. The September 2025 bank reconciliation was not completed until January 12, 2026, and without a final supervisory sign-off date.

We recommend that management execute the following steps to reinforce the internal control of the environment:

- Implement a centralized registry: Establish a formal, centralized registry of all authorized bank signatories that details effective dates and termination dates for each individual.
- Enforce record retention: Ensure that both current and historical bank signature cards are archived and preserved within the financial records to provide a complete audit trail.
- Update signature mandates: Coordinate with financial institutions to update all bank signature cards to enforce dual-signor protocols and reflect current authorized personnel.
- Bank Reconciliation: 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.

Unallowable Expenditures

Section 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.

During our testing of the Clerk's administrative expenditures, we noted one (1) expenditure for computer docking stations totaling $1,578 was allocated to the court. There was no evidence provided to show that the docking stations were paid from the 10% funds.

We recommend the Clerk's office ensure that its court-related expenditures are allowable according to s. 29.008(1)(f)1, F.S.

MATT REYNOLDS
CLERK OF THE CIRCUIT COURT & COMPTROLLER
PUTNAM COUNTY, FLORIDA

P.O. BOX 758
PALATKA, FLORIDA 32178
(386) 326-7600

August 4, 2026

Renee Hermeling, Director
Division of Accounting and Auditing
State of Florida Department of Financial Services
200 East Gaines Street
Tallahassee, FL 32399-0353

RE: Putnam County Clerk of the Circuit Court Compliance Audit, Report 2026-156

Dear Ms. Hermeling:

Thank you for your recent communication and for the opportunity to respond to the recommendations made by your staff regarding the compliance audit of our office covering County Fiscal Years (CFYs) 2023–2024, 2024–2025, and 2025–2026 (through January 2026).

Please find our responses below.

Travel Policy

Finding: During our review of the Authorization and Reimbursement Forms for Travel, we noted the following:

- One (1) travel form reviewed did not include the arrival and departure times. The employee was reimbursed for breakfast and lunch totaling $17 despite both the departure and return times omitted.
- According to the Clerk's travel policy, travelers must use the Travel Authorization Request & Reimbursement Form and have it fully approved before finalizing any reservation or registration. One (1) travel form reviewed was approved after the trip was completed.
- For one (1) travel form, the Depart and Return dates on the request form were different from the dates of the actual start and end dates of the training.
- One (1) travel form and supporting documentation was not provided.

- For one (1) travel form, no formal agenda was provided other than an email showing the location, dates, times, and topics that were included in the scheduled training

Recommendation: We recommend the Clerk's office enhance its travel policy to include instructions for completing the required forms. We also recommend additional training for the employees reviewing the forms prior to payment to ensure that the court-related expenditures are appropriately reimbursed

Response: We have reviewed and evaluated each of the observations and our office will continue to strengthen our travel policy and travel documentation procedures by providing additional training and guidance to staff on the importance of properly completing and reviewing these travel forms.

Bank Signatories and Reconciliations

Finding: During the audit of the Putnam bank accounts and subsequent substantive testing of bank reconciliations, the following internal control issues were identified:

- Signature Requirements: The Clerk's office maintained single-signor bank signature cards on six (6) accounts across Capital City Bank and South State Bank rather than dual authorization during the audit period beginning October 1, 2023.
- Untimely Bank Reconciliations: We reviewed the bank reconciliations for September 2024 and September 2025. The September 2025 bank reconciliation was not completed until January 12, 2026, and without a final supervisory sign-off date.

Recommendation: We recommend that management execute the following steps to reinforce the internal control of the environment:

- Implement a centralized registry: Establish a formal, centralized registry of all authorized bank signatories that details effective dates and termination dates for each individual.
- Enforce record retention: Ensure that both current and historical bank signature cards are archived and preserved within the financial records to provide a complete audit trail.
- Update signature mandates: Coordinate with financial institutions to update all bank signature cards to enforce dual-signor protocols and reflect current authorized personnel.
- Bank Reconciliation: 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.

Response: We have reviewed and evaluated each of the observations and our office is evaluating and will be working with our financial intuitions to implement dual-signature authorization on the applicable accounts and will continue to maintain current and historical bank signatory documentation.

We will enhance our bank reconciliation procedures to ensure the reconciliations are completed timely and include both the reviewer's signature and date the review was completed.

Unallowable Expenditures

Finding: During our testing of the Clerk's administrative expenditures, we noted one (1) expenditure for computer docking stations totaling $1,578 was allocated to the court. There was no evidence provided to show that the docking stations were paid from the 10% funds.

Recommendation: We recommend the Clerk's office ensure that its court-related expenditures are allowable according to s. 29.008(1)(f)1, F.S

Response: We have reviewed the observation, and our office will strengthen our documentation procedures regarding the use of the 10% funds to ensure that expenditures paid from these funds are more clearly identified.

We appreciate working with your team and thank you and your team for the professionalism and cooperation extended throughout this engagement.

Sincerely,

[redacted]

Matt Reynolds
Clerk of the Circuit Court and Comptroller