



CHIEF FINANCIAL OFFICER
BLAISE INGOGLIA
STATE OF FLORIDA

September 25, 2026

The Honorable Matt Brooks
Clerk of Circuit Court & Comptroller
Levy County
355 South Court Street
Bronson, Florida 32621

Dear Clerk Brooks,

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,


Renée Hermeling

RH/avg

Enclosure

FLORIDA DEPARTMENT OF FINANCIAL SERVICES
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**BLAISE INGOGLIA
CHIEF FINANCIAL OFFICER
STATE OF FLORIDA**

Florida Department of Financial Services

LEVY COUNTY

**CLERK OF THE CIRCUIT COURT
COMPLIANCE AUDIT**

Report No. 2026-158

September 25, 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-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) 23-24, CFY 24-25, and CFY 25-26 (through May 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.

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 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

LEVY COUNTY AT A GLANCE

The Levy County Clerk of the Circuit Court and Comptroller serves a population of 45,845.⁶



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	\$1,220,985	\$1,146,798
CFY 24-25	\$1,307,660	\$1,074,260

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 7.1%. The actual expenditures decreased by 6.3% 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	14.24	18.63
CFY 24-25	17.76	21.33

The budgeted FTEs increased by 24.7% for the period October 2023 through September 2025. The actual number of FTEs increased by 14.5% over the same period.

STATUS OF PRIOR AUDIT RECOMMENDATIONS

The Department conducted an audit of the Levy County Clerk of the Circuit Court in March 2018 (Report No. 2018-24) and issued three (3) recommendations.

1. Fund only those expenditures that are in accordance with Florida Statutes.

⁵Section 28.37(6), Florida Statutes.

⁶The 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>

2. Verify that employees' pay rates are calculated correctly and consistent with the rates authorized in the personnel record.
3. Establish a methodology for allocating payroll expenditures between court and non-court accounts to ensure accuracy in the budgeting process and appropriation of State funds.

A follow-up audit in December 2022 (Report No. 2022-91) reported that recommendations 1 and 2 had been implemented and that recommendation 3 had not been implemented. Our 2026 audit confirmed this report.

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

Payroll Procedures and Leave Payouts

Effective internal controls over payroll require written procedures that describe key activities, including authorization of pay rates, review of timesheets, approval of leave, certification of payroll, and segregation of duties. Adopted personnel rules are the standard for leave accruals and payouts. Applying those rules consistently is necessary to ensure payroll expenditures are accurate, authorized, and defensible.

The Clerk's office provided its Personnel Rules Regulations Policies and Procedures which describe attendance and leave in detail. They also provided desk-level instructions titled "Special Payroll (Clerk)." Those instructions address data entry only. They do not describe the payroll approval process, controls over personnel status changes or personnel action forms (PAFs), verification of leave payouts, or segregation of duties.

Testing identified the following deviations from the Personnel Rules Regulations Policies and Procedures:

- Sick leave payouts for two (2) sampled employees exceeded the amounts allowed under policy by a combined \$31,334. Management stated that one overpayment was granted solely because of the employee's tenure. No explanation was provided for the second overpayment.
- A vacation leave payout for one sampled employee exceeded the amount allowed under policy by \$611. Management again cited tenure as the basis for the exception.

We recommend the Clerk's office develop and implement written payroll procedures covering the full process, including:

- The approval flow and the positions responsible for authorizing salary rates, timesheets, leave, and final payroll certification.
- Segregation of duties.
- Standardized documentation of starting pay rates and all subsequent changes (PAF or equivalent).
- Supervisory review of timesheets and leave usage.
- Independent verification of leave payouts against policy before payment.

We also recommend following the leave provisions in the Personnel Rules, Regulations, Policies and Procedures document. Any exception should be rare, approved in writing before payment, and supported by a rationale that

can be applied consistently. If tenure or another factor is intended to change payout entitlements, the written policy should be amended through the normal approval process rather than applied case by case.

Implementing complete procedures and applying the adopted leave policy consistently will improve the accuracy and integrity of payroll expenditures and reduce legal and control risk.

Travel Policy

The Clerk's travel policy states that it follows section (s.) 112.061, F. S., and reimbursement for approved travel expenditures will be made in accordance with applicable Florida Statutes. Also, according to the Clerk's travel policy, employees must receive prior approval and submit proper documentation to support their travel expenditures. Key provisions of the State law include:

- Establishment of uniform rates, procedures, and limitations for travel reimbursements.
- Allowable reimbursement for subsistence (meals) when not provided at conferences or conventions, subject to statutory rates and limitations (e.g., per diem or actual expenditure within caps).
- Requirements for proper documentation of travel details (e.g., times of departure and arrival to determine eligibility for per diem or subsistence (meals) allowances). The voucher includes a certification by the traveler that the claim is true and correct, the expenses were actually incurred as necessary for official duties, and any required reductions (e.g., for meals included in registration) have been made.
- Standardization of travel expenditure reimbursements to prevent excessive or unauthorized payments.

A review of the Clerk's written travel policies showed that the Clerk's internal administrative procedures lacked a clear definition differentiating travel criteria, such as the hourly windows, direct payment of expenditures, or allowable reimbursement for subsistence (meals) of s. 112.061, F.S., at a conference or convention. During our testing, we noted the following:

- For four (4) administrative samples, the travel reimbursement forms did not have times of departure and arrival.
- For one (1) administrative sample, lunch provided at the conference was included in the travel reimbursement form.
- For one (1) administrative sample, the pre-approval authorization was not properly verified according to the Clerk's travel policy.
- For two (2) administrative samples, room upgrades and bottled water were included as court-related expenditures.

Without fully implemented pre-approval authorizations and a reimbursement reconciliation process, there is often weak or missing documentation of the travel necessity, pre-approval, total trip cost, and traveler certification.

We recommend the Clerk's office enhance its travel policy to include a requirement for travel reimbursement forms and 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 properly reviewed or verified.

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 was unable to provide a comprehensive written purchasing and procurement policy dated prior to June 18, 2026.

We recommend that the Clerk's office continue to 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.

Allocation Methodology

A sound allocation methodology is a fundamental internal control for any organization. Allocations should be based on an accumulation of relevant, sufficient, and reliable data and used consistently throughout the fiscal year.

The Clerk's office indicated it uses reasonable efforts to accurately identify appropriate cost centers for the allocation of overhead expenditures between court and non-court related functions. Accounting estimates, however, 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. The Clerk's office provided limited supporting documentation for the allocation of employees' time or administrative expenditures between court and non-court related functions.

During our testing, we noted two (2) employees with allocations that did not match the allocation information provided by the Clerk's office.

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.

The Clerk's office should establish a method for sampling employees' time and effort between court-related and non-court related activities to ensure the allocation of payroll expenditures reflects an accurate appropriation of State funds. 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/>.



MATT BROOKS CLERK OF THE CIRCUIT COURT & COMPTROLLER

LEVY COUNTY, FLORIDA

September 30, 2026

Clerk's Response to Article V Audit Report No. 2026-158

To the Auditor General:

The Levy County Clerk of Court & Comptroller appreciates the review conducted as part of Article V Audit Report No. 2026-158 and is committed to maintaining effective internal controls, accountability, and compliance with applicable laws, policies, and procedures. In response to the audit findings, the following corrective actions have been implemented or are being developed.

Payroll Procedures and Leave Payouts

The Clerk's Office will update its written payroll procedures to more comprehensively document the entire payroll process, including timesheet processing, leave requests, final payroll certification, and appropriate segregation of duties.

Personnel Action Forms (PAFs) related to changes in employee pay rates are reviewed and signed by two employees to provide independent verification and ensure accuracy.

The audit identified **one employee** who received a leave payout exceeding the amount permitted under the existing policy. This payment was authorized by the Clerk as a special exception based on the employee's tenure with the office. Going forward, the Clerk's Office will continue to review its procedures to promote consistency with established policies.

Travel Policy

The Clerk's Office will strengthen its travel procedures to ensure appropriate documentation and verification are maintained. This will include verifying pre-approval authorization, departure and arrival times, and meals provided as part of conference or meeting agendas.

Travel vouchers will also be reviewed to ensure supporting documentation is included, as applicable, such as proof of attendance or registration payment, hotel reservations and receipts, meal documentation, and mileage.

RESPECT. INTEGRITY. SERVICE. TRUST.

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MATT BROOKS

CLERK OF THE CIRCUIT COURT & COMPTROLLER

LEVY COUNTY, FLORIDA

Regarding the room upgrade identified in the audit, the expense related to the previous Clerk Danny Shipp. Based on the information currently available, the reason for the room change cannot be definitively confirmed. It is believed that the original room's proximity to an elevator may have contributed to the request for a different room.

Purchasing and Procurement Policy

The Clerk's Office did not have a formal purchasing and procurement policy in place prior to **June 18, 2026**. Since implementation of the policy, the Clerk's Office has continued to evaluate its purchasing procedures and will make appropriate improvements to strengthen internal controls, promote best practices, and enhance transparency throughout the procurement process.

Allocation Methodology

Historically, the Clerk's Office has utilized employee job-duty lists identifying court-related and non-court-related responsibilities, along with the estimated time required to perform each assignment, as a basis for allocating costs among cost centers.

The Clerk's Office will evaluate the sampling methodologies recommended in the audit report and consider their implementation to further strengthen and document the allocation process going forward.

Thank you for the opportunity to respond to the audit findings. The Clerk's office remains committed to continuous improvement and responsible stewardship of taxpayer dollars.

Respectfully submitted,

Matt Brooks

Levy County Clerk of Court

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