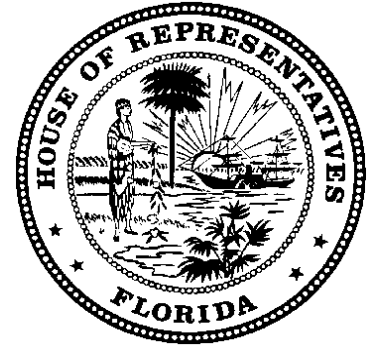


KATHLEEN PASSIDOMO
President of the Senate



PAUL RENNER
Speaker of the House



Joint Legislative Auditing Committee

Senator Jason Pizzo, Chair
Representative Michael Caruso, Vice Chair

Meeting Packet
Thursday, January 5, 2023
412 Knott Building

1:00 p.m. – 3:00 p.m.

The Florida Legislature
COMMITTEE MEETING AGENDA
JOINT LEGISLATIVE AUDITING COMMITTEE

Senator Jason W. B. Pizzo, Chair
Representative Michael A. “Mike” Caruso, Vice Chair

MEETING DATE: Thursday, January 5, 2023

TIME: 1:00 p.m. - 3:00 p.m.

PLACE: 412 Knott Building

MEMBERS:

Senator Jason Brodeur
Senator Tracie Davis
Senator Nick DiCeglie
Senator Corey Simon

Representative Daniel “Danny” Alvarez, Sr.
Representative Christopher Benjamin
Representative Peggy Gossett-Seidman
Representative Dianne “Ms Dee” Hart
Representative Vicki L. Lopez

-
1. Introduction of Members and Staff
 2. Discussion of Committee Responsibilities
 3. Overview of the Office of the Auditor General
 4. Overview of the Office of Program Policy Analysis and Government Accountability (OPPAGA)
 5. Presentation: Reading and understanding a financial statement audit report and an operational audit report

1 Introduction

JOINT LEGISLATIVE AUDITING COMMITTEE

2022 – 2024

COMMITTEE MEMBERS

Senator Jason Pizzo, Chair
Representative Michael Caruso, Vice Chair
Representative Daniel Antonio Alvarez, Sr.
Representative Christopher Benjamin
Senator Jason Brodeur
Senator Tracie Davis
Senator Nick DiCeglie
Representative Peggy Gossett-Seidman
Representative Dianne Hart
Representative Vicki Lopez
Senator Corey Simon

COMMITTEE STAFF

Kathryn H. DuBose
Deborah E. White, CPA, Chief Legislative Analyst
Constance L. Ennis, Administrative Assistant

COMMITTEE OFFICE

Room 876, Claude Pepper Building
111 West Madison Street
Tallahassee, Florida 32399-1400

Telephone: (850) 487-4110
Facsimile: (850) 922-5667

E-mail: jlac@leg.state.fl.us

Website: www.leg.state.fl.us/committees/jlac
(can access from House and Senate Committee Pages and Online Sunshine)

2 Committee Responsibilities

Joint Legislative Auditing Committee Overview

The Committee is established by joint rule and its membership consists of between five and seven members from each house.¹ [J.R. 4.1(1)(c) & (3)]

In general, the responsibilities of the Committee relate to oversight of state and local governments, educational entities, and state funds appropriated to non-governmental entities. A summary of the Committee's responsibilities follows.

Committee Responsibilities Related to the Auditor General

- Required to appoint the Auditor General, appointment subject to confirmation by Legislature² [s. 11.42(2) F.S.]
- Authorized to review the performance of the Auditor General [J. R. 4.5(3)]
- Authorized to establish general policies for the Office of the Auditor General [s. 11.45(2), F.S.]
- Authorized to direct the office to conduct an audit, review, or examination of any entity described in s. 11.45(2) or (3), F.S.³ [J.R. 4.5(1)]
- Authorized to investigate any matter within the scope of an audit, review, or examination completed or being conducted by the Auditor General [s. 11.40(1), F.S.]

Committee Responsibilities Related to the Office of Program Policy Analysis and Government Accountability (OPPAGA)

- Authorized to direct the office to conduct an audit, review, or examination of any entity described in s. 11.45(2) or (3), F.S.⁴ [J.R. 4.5(1)]
- Authorized to investigate any matter within the scope of a review completed or being conducted by OPPAGA [s. 11.40(1), F.S.]

Committee Responsibilities Related to Local Governmental Entities

- Authorized to direct the Department of Revenue and the Department of Financial Services to withhold revenue from counties and municipalities that fail to: (1) file financial reports required by ss. 218.32(1) and 218.39(1), F.S.; (2) provide significant items missing from audit reports, as required by s.11.45(7)(b), F.S.; (3) pay the full cost of an audit requested by a county or municipality, which has been conducted by the Auditor General, as required by s. 11.45(6), F.S. (see also s. 11.45(5), F.S., regarding the failure to fully pay for a petition audit of a municipality); (4) provide to the Division of Bond Finance specified information related to bonded obligations, or verify such information, required by s. 218.38, F.S.; (5) comply with investment policies, as specified in s. 218.415, F.S.; or (6) inform the Governor of action being taken to address financial emergency condition(s), as required by s. 218.503(3), F.S. [s. 11.40(2), F.S.]
- Authorized to hold a public hearing, if certain conditions are met, and direct the Department of Economic Opportunity to proceed with legal action against special districts that fail to: (1) file financial reports required by ss. 218.32(1) and 218.39(1), F.S.; (2) provide significant items missing from audit reports, as required by s.11.45(7)(b), F.S.; (3) pay the full cost of an audit requested by a special district, which has been conducted by the Auditor General, as required by s. 11.45(6), F.S.; (4) provide to the Division of Bond Finance specified information related to bonded obligations, or verify such information, required by s. 218.38, F.S.; (5) comply with investment policies as specified in s. 218.415, F.S.; or (6) inform the Governor of action being taken to address financial emergency condition(s), as required by s. 218.503(3) F.S. [s. 11.40(2), F.S.]
- Required to be notified when a local governmental entity meets or is expected to meet a condition of a financial emergency [ss. 218.503(2) and 11.45(7)(e), F.S.]
- Authorized to direct audits or reviews of local governments [J.R. 4.5(1)]
- Authorized to investigate any matter within the scope of an audit, examination, or review of a local governmental entity conducted by the Auditor General or OPPAGA [s. 11.40(1), F.S.]
- Authorized to take a series of steps when a local government has failed to take full corrective action in response to a recommendation included in the two preceding financial audit reports [s. 218.39(8), F.S.]

¹ From 1967 until March 2011 the Committee was created in law. During 2011, the Legislature passed a reform package which included revisions to laws and joint rules related to the Committee. Chapter 2011-34, *Laws of Florida*, repealed the statutory creation of the Committee.

² The Committee is not required to appoint an Auditor General unless there is a vacancy in the position.

³ These entities include any governmental entity created or established in law; non-governmental entity that receives state financial assistance; and non-governmental agency, corporation, or person that receives an appropriation by the Legislature.

⁴ *Id.*

Committee Responsibilities Related to State Agencies

- Within six months of the release of an Auditor General audit or OPPAGA review, most state agencies are required to provide the Committee with the status of corrective action taken in response to audit/review report findings [s. 20.055(6)(h), F.S.]
- Authorized to direct an audit or review of state agencies [J.R. 4.5(1)]
- Authorized to investigate any matter within the scope of an audit, examination, or review of a state agency conducted by the Auditor General or OPPAGA [s. 11.40(1), F.S.]

Committee Responsibilities Related to State Universities and Florida College System Institutions

- Authorized to direct an audit or review of universities and colleges [J.R. 4.5(1)]
- Authorized to investigate any matter within the scope of an audit, examination, or review of a university or college conducted by the Auditor General or OPPAGA [s. 11.40(1), F.S.]
- Authorized to take a series of steps when a university or college has failed to take full corrective action in response to a recommendation included in the two preceding financial or operational audit reports [s. 11.45(7)(j), F.S.]

Committee Responsibilities Related to District School Boards, Charter Schools, and Charter Technical Career Centers

- Authorized to direct the Department of Revenue and the Department of Financial Services to withhold revenue from district school boards that fail to: (1) file financial audits required by s. 218.39(1), F.S.; (2) provide significant items missing from audit reports, as required by s.11.45(7)(b), F.S.; (3) comply with investment policies, as specified in s. 218.415, F.S.; or (4) inform the Commissioner of Education of action being taken to address financial emergency condition(s), as required by s. 218.503(3), F.S. [s. 11.40(2), F.S.]
- Authorized to notify the appropriate sponsoring entity of a charter school or charter technical career center for charter schools and charter technical career centers that fail to: (1) file financial audits required by s. 218.39(1), F.S.; or (2) provide significant items missing from audit reports required by s.11.45(7)(b), F.S. The sponsoring entity is then authorized to terminate the charter pursuant to ss. 1002.33 and 1002.34, F.S. [s. 11.40(2)(c), F.S.]
- Required to be notified when a district school board, charter school, or charter technical career center meets or is expected to meet a condition of a financial emergency [ss. 218.503(2) and 11.45(7)(e), F.S.]
- Authorized to direct an audit or review of district school boards,⁵ charter schools, and charter technical career centers [J.R. 4.5(1)]
- Authorized to investigate any matter within the scope of an audit, examination, or review of a district school board, charter school, or charter technical career center conducted by the Auditor General or OPPAGA [s. 11.40(1), F.S.]
- Authorized to take a series of steps when a district school board, charter school, or charter technical career center has failed to take full corrective action in response to a recommendation included in the two preceding financial audit reports (also includes the two preceding operational audit reports for district school boards) [ss. 11.45(7)(j) and 218.39(8), F.S.]

Committee Responsibilities Related to Audits of Lobbying Firm Compensation Reports

- Required to develop a system to randomly select lobbying firms for audit, develop procedures for the selection of auditors, create and maintain a list of not less than 10 auditors approved to conduct the audits, and develop guidelines to conduct the audits [s. 11.40(3), F.S.]

Committee Responsibilities Related to Transparency Florida Website

- Required to report annually on the progress in establishing the website, make recommendations for enhancement of the content and format of the website, and develop a schedule for adding additional information [ss. 215.985(7) and (13), F.S.]

Other Committee Responsibilities and Activities

- Authority to take under consideration any matter within the scope of the duties of the Taxation and Budget Reform Commission [s. 286.036(6), F.S.]
- Numerous entities are required to submit reports to the Committee [various sections of law]
- Staff assist government officials and citizens with concerns regarding potential misuse of public funds and other complaints

⁵ The Auditor General is required by law to conduct an annual financial audit of district school boards in counties with a population less than 150,000 and every three years in counties with a larger population; in addition, the Auditor General is required by law to conduct an operational audit of every district school board at least once every three years.

**JOINT RULE FOUR OF THE FLORIDA LEGISLATURE
JOINT COMMITTEES
2022-2024**

4.1—Standing Joint Committees

(1) The following standing joint committees are established:

- (a) Administrative Procedures Committee.
- (b) Committee on Public Counsel Oversight.
- (c) Legislative Auditing Committee.

(2) No other joint committee shall exist except as agreed to by the presiding officers or by concurrent resolution approved by the Senate and the House of Representatives.

(3) Appointments to each standing joint committee shall be made or altered and vacancies shall be filled by the Senate and the House of Representatives in accordance with their respective rules. There shall be appointed to each standing joint committee no fewer than five and no more than seven members from each house.

(4)(a) The President of the Senate shall appoint a member of the Senate to serve as the chair, and the Speaker of the House of Representatives shall appoint a member of the House of Representatives to serve as the vice chair, for:

1. The Legislative Auditing Committee and the Committee on Public Counsel Oversight, for the period from the Organization Session until noon on August 1 of the calendar year following the general election.

2. The Administrative Procedures Committee for the period from noon on August 1 of the calendar year following the general election until the next general election.

(b) The Speaker of the House of Representatives shall appoint a member of the House of Representatives to serve as the chair, and the President of the Senate shall appoint a member of the Senate to serve as the vice chair, for:

1. The Legislative Auditing Committee and the Committee on Public Counsel Oversight, for the period from noon on August 1 of the calendar year following the general election until the next general election.

2. The Administrative Procedures Committee for the period from the Organization Session until noon on August 1 of the calendar year following the general election.

(c) A vacancy in an appointed chair or vice chair shall be filled in the same manner as the original appointment.

4.2—Procedures in Joint Committees

The following rules shall govern procedures in joint committees other than conference committees:

(1) A quorum for a joint committee shall be a majority of the appointees of each house. No business of any type may be conducted in the absence of a quorum.

(2)(a) Joint committees shall meet only within the dates, times, and locations authorized by both the President of the Senate and the Speaker of the House of Representatives.

(b) Joint committee meetings shall meet at the call of the chair. In the absence of the chair, the vice chair shall assume the duty to convene and preside over meetings and such other duties as provided by law or joint rule. During a meeting properly convened, the presiding chair may temporarily assign the duty to preside at that meeting to another joint committee member until the assignment is relinquished or revoked.

(c) Before any joint committee may hold a meeting, a notice of such meeting shall be provided to the Secretary of the Senate and the Clerk of the House of Representatives. When the Legislature is not in session, notice must be provided no later than 4:30 p.m. of the 7th day before the meeting. When the Legislature is in session, notice must be provided no later than 4:30 p.m. of the 3rd day before the meeting. For purposes of effecting notice to members of the house to which the chair does not belong, notice to the Secretary of the Senate shall be deemed notice to members of the Senate and notice to the Clerk of the House shall be deemed notice to members of the House of Representatives. Noticed meetings may be canceled by the chair with the approval of at least one presiding officer.

(d) If a majority of its members from each house agree, a joint committee may continue a properly noticed meeting after the expiration of the time called for the meeting. However, a joint committee may not meet beyond the time authorized by the presiding officers without special leave granted by both presiding officers.

(3) The presiding officers shall interpret, apply, and enforce rules governing joint committees by agreement when the rule at issue is a joint rule. Unless otherwise determined or overruled by an agreement of the presiding officers, the chair shall determine all questions of order arising in joint committee meetings, but such determinations may be appealed to the committee during the meeting.

(4) Each question, including any appeal of a ruling of the chair, shall be decided by a majority vote of the members of the joint committee of each house present and voting.

4.3—Powers of Joint Committees

(1) A joint committee may exercise the subpoena powers vested by law in a standing committee of the Legislature. A subpoena issued under this rule must be approved and signed by the President of the Senate and the Speaker of the House of Representatives and attested by the Secretary of the Senate and the Clerk of the House.

(2) A joint committee may adopt rules of procedure that do not conflict with the Florida Constitution or any law or joint rule, subject to the joint approval of the President of the Senate and the Speaker of the House of Representatives.

(3) A joint committee may not create subcommittees or workgroups unless authorized by both presiding officers.

4.4—Administration of Joint Committees

(1) Within the monetary limitations of the approved operating budget, the expenses of the members and the salaries and expenses of the staff of each joint committee shall be governed by joint policies adopted under Joint Rule 3.2.

(2) Subject to joint policies adopted under Joint Rule 3.2, the presiding officers shall appoint and remove the staff director and, if needed, a general counsel and any other staff necessary to assist each joint committee. All joint committee staff shall serve at the pleasure of the presiding officers. Upon the initial adoption of these joint rules in a biennium, each joint committee staff director position shall be deemed vacant until an appointment is made.

4.5—Special Powers and Duties of the Legislative Auditing Committee

(1) The Legislative Auditing Committee may direct the Auditor General or the Office of Program Policy Analysis and Government Accountability to conduct an audit, review, or examination of any entity or record described in s. 11.45(2) or (3), Florida Statutes.

(2) The Legislative Auditing Committee may receive requests for audits and reviews from legislators and any audit request, petition for audit, or other matter for investigation directed or referred to it pursuant to general law. The committee may make any appropriate disposition of such requests or referrals and shall, within a reasonable time, report to the requesting party the disposition of any audit request.

(3) The Legislative Auditing Committee may review the performance of the Auditor General and report thereon to the Senate and the House of Representatives.

The remaining language in Joint Rule Four (4.6 and 4.7) is not included. It relates to special powers and duties of the Administrative Procedures Committee and the Committee on Public Counsel Oversight.

3 Auditor General

AUDITOR GENERAL OVERVIEW

LEGISLATIVE AUDITING COMMITTEE
JANUARY 5, 2023



THE AUDITOR GENERAL IS

- A Constitutional Officer
- A Legislative Officer
- A Certified Public Accountant
- The State's Independent Auditor

OUR VISION & MISSION

Excellence in auditing for the benefit of Floridians.

To provide unbiased, timely, and relevant information that the Legislature, Florida's citizens, public entity management, and other stakeholders can use to promote government accountability and stewardship and improve government operations.

OUR INDEPENDENCE

State law provides that the Auditor General will perform duties independently but under the general policies established by the Legislative Auditing Committee. This independence is essential for the conduct audits in conformity with applicable auditing standards, including *Government Auditing Standards*.

Our independence ensures that:

- Florida's taxpayers and decision makers can rely upon our work for fair and impartial results.
- The Federal Government and bond rating firms accept our audits of Federal funds and financial statements.

WHAT WE DO

Sections 11.42 and 11.45, Florida Statutes, set forth the general authority and duties of the Auditor General.

- Financial Audits
- Operational Audits
- Performance Audits
- Attestation Examinations
- Other Accountability Activities

ANNUAL FINANCIAL AUDIT ENGAGEMENTS

State of Florida

- State of Florida Reporting Entity (Including Audit of Federal Awards)
- State Universities
- State Colleges
- Florida Retirement System Pension Plan and Other State-Administered Systems
- Florida School for the Deaf and the Blind
- Local Government Surplus Funds Trust Fund (Florida PRIME)
- Department of the Lottery (at Legislative Auditing Committee direction)

School Districts (Including Audits of Federal Awards)

OPERATIONAL AND PERFORMANCE AUDIT ENGAGEMENTS

- **State Agencies**

- Executive Office of the Governor
- State Board of Administration
- Triumph Gulf Coast, Inc.
- Citizens Property Insurance Corporation
- Judicial-Related Entities

- **State Universities**

- **State Colleges**

- Department of Revenue Administration of Ad Valorem Tax Laws
- Florida Clerks of Court Operations Corporation

- **School Districts**

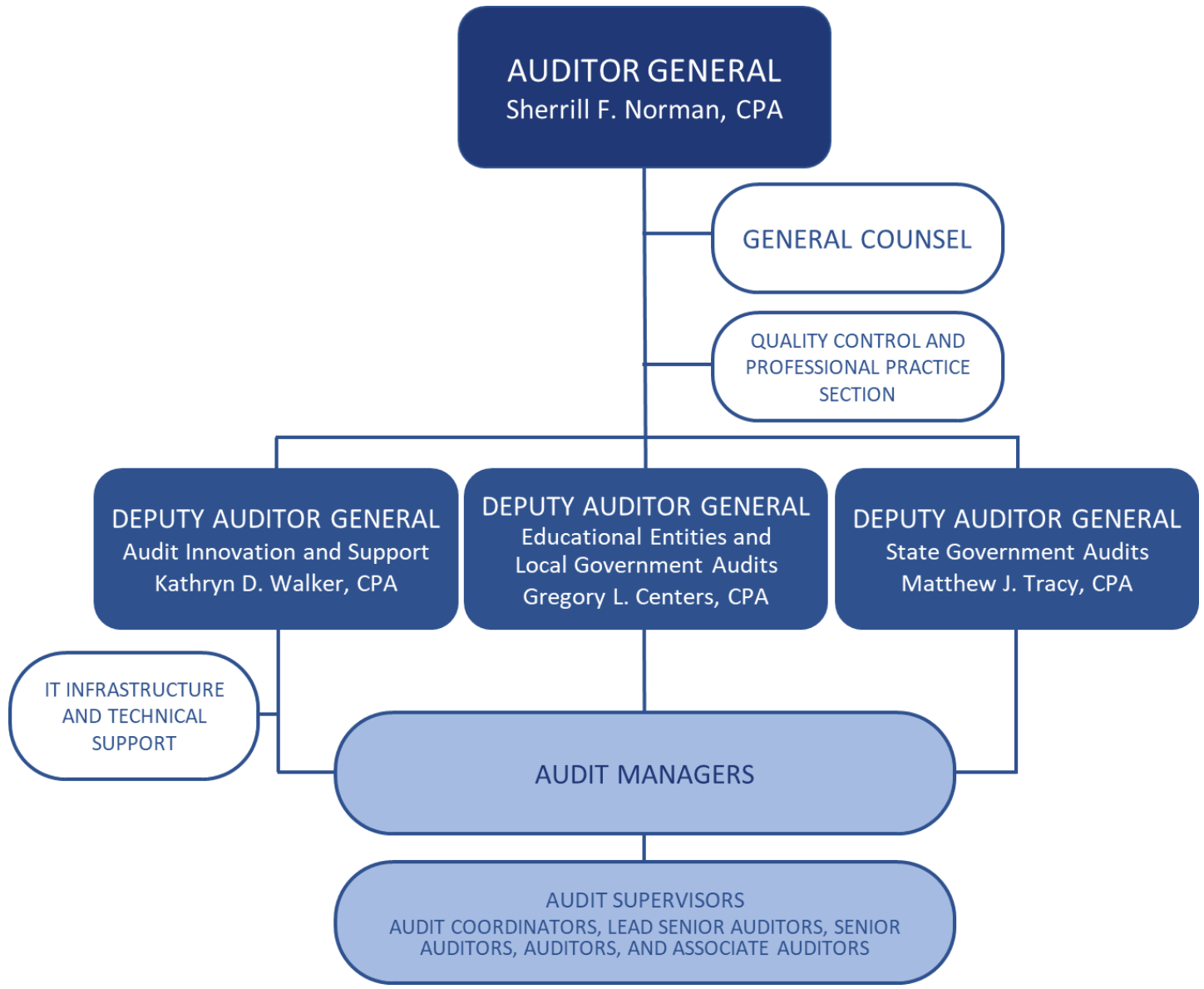
- Florida School for the Deaf and the Blind
- Florida Bright Futures Scholarship Program
- Water Management Districts
- Scholarship Funding Organizations
- Large-Hub Commercial Service Airports
- Selected Local Governmental Entities
- Local Government Financial Reporting System
- Information Technology Audits of State and Local Governmental Entities

ATTESTATION ENGAGEMENTS

- Florida Education Finance Program (FEFP) Examinations
 - School districts and other entities' records to evaluate compliance with State requirements for reporting full time equivalent (FTE) student enrollment and student transportation to the Department of Education
- Examination of the Florida Retirement System and Retiree Health Insurance Subsidy Program Cost-Sharing Multiple Employer Defined Benefit Pension Plans Deferred Outflows for Contributions

OTHER ACCOUNTABILITY ACTIVITIES

- Quality Assessment Reviews
 - State Agency Inspectors General Internal Audit Activities
- Annual Reviews of Audit Reports
 - Local Governmental Entities
 - School Districts (for years not audited by the Auditor General)
 - Charter Schools and Technical Career Centers
 - Certain Nonprofit and For-Profit Entities
- Compilations of Significant Findings and Financial Trends
- Correctional Institutions Per Diem Cost Certifications
- Rules of the Auditor General



OUR OFFICE

OUR OFFICE



Audit positions are located in Tallahassee and in various field offices throughout the State.



OUR PEOPLE

- Many of our 360 full-time positions are held by audit professionals with various professional accounting and audit-related certifications.
- As of October 31, 2022, our audit professionals included:
 - 142 Certified Public Accountants
 - 12 Certified Information Systems Auditors
 - 13 Certified Fraud Examiners
- As of December 31, 2022, we had 89.5 vacancies.

AUDIT PROCESS





AUDITOR GENERAL ANNUAL REPORT

- Recommended Statutory and Fiscal Changes
- Overview of Audit and Accountability Activities
- Projected 2-Year Work Plan
- List of Reports (Issued and Scheduled to be Issued)
- Auditor General Contact Information

RECOMMENDED STATUTORY AND FISCAL CHANGES

- Compilation of recommendations that were either included in our audit reports during the past few audit cycles or arose during the course of performing the duties assigned to the Auditor General.
- A member of the Auditor General management team is referenced with each recommendation.

OVERVIEW OF AUDIT AND ACCOUNTABILITY ACTIVITIES

During the period November 1, 2021, through October 31, 2022, our dedicated team of audit professionals and support staff issued 210 reports.



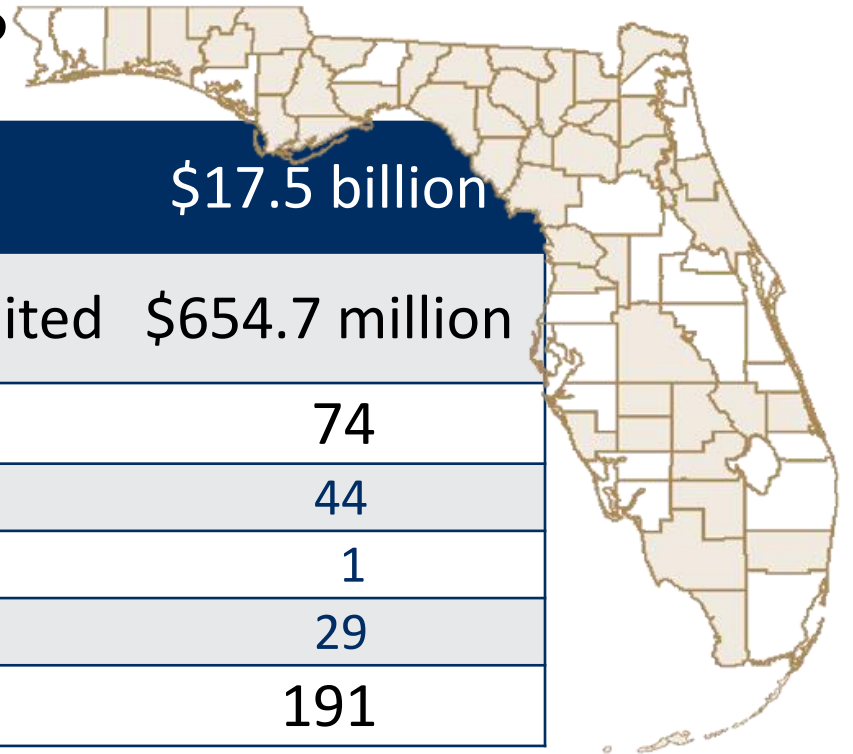
OVERVIEW OF AUDIT AND ACCOUNTABILITY ACTIVITIES

STATE GOVERNMENT

Total asset value upon which opinions were issued	\$735.3 billion
Total major programs Federal awards expenditures audited	\$52 billion
Number of major Federal programs audited	20
Number of audit reports issued for State Governmental entities:	20
Federal Awards	1
Financial (Including State ACFR)	5
Operational	14
Number of audit findings	170

OVERVIEW OF AUDIT AND ACCOUNTABILITY ACTIVITIES

SCHOOL DISTRICTS



Total asset value upon which opinions were issued	\$17.5 billion
Total major programs Federal awards expenditures audited	\$654.7 million
Number of School District audit reports issued:	74
Financial and Federal Awards	44
Financial	1
Operational	29
Number of audit findings	191

OVERVIEW OF AUDIT AND ACCOUNTABILITY ACTIVITIES

FLORIDA EDUCATION FINANCE PROGRAM

Total FTE Student Enrollment reported upon which compliance opinions were issued	816,023
Number of School District FEFP reports issued	22
Number of Districts with FEFP FTE Student Enrollment and Transportation Findings by Material Noncompliance Area	
Preparation and Maintenance of Student Records	22
Teacher Qualifications	13
Funding Eligibility of Transported Students	14
Ridership Classification of Transported Students	13

OVERVIEW OF AUDIT AND ACCOUNTABILITY ACTIVITIES

STATE UNIVERSITIES AND STATE COLLEGES

Total asset value upon which opinions were issued	\$41.4 billion
Number of State University and State College audit reports issued:	61
Financial	40
Operational	21
Number of audit findings	59

OVERVIEW OF AUDIT AND ACCOUNTABILITY ACTIVITIES

INFORMATION TECHNOLOGY

Number of audit reports issued:	11
State Agencies and Related Entities	5
Educational and Related Entities	6
Number of audit report findings by Control Area:	22
Business Process Application-Level General	6
Business Process Configuration Management	2
Data Center Operations	1
General Controls - Security Management	7
General Controls - Access	4
General Controls - Contingency Planning	2
Number of confidential findings	35

OVERVIEW OF AUDIT AND ACCOUNTABILITY ACTIVITIES

LOCAL GOVERNMENT AUDITS

Report No.	Entity Subject to Audit
2023-019	City of Deerfield Beach
2022-087	City of Gainesville
2022-201	Northwest Florida Water Management District
2022-062	Palm Beach County Clerk of the Circuit Court and Comptroller
2022-074	Port Richey Community Redevelopment Agency
2022-194	St. Johns River Water Management District
2022-066	Santa Rosa County Board of County Commissioners Use of Funds Related to the Deepwater Horizon Oil Spill
2022-174	West Volusia Hospital Authority

COMMITTEE-DIRECTED ENGAGEMENTS AND RELATED FOLLOW-UPS IN PROGRESS

- Escambia County Board of County Commissioners and Clerk of the Circuit Court
- City of Opa-locka and Opa-locka Community Redevelopment Agency – Follow-Up
- City of Palm Bay – Follow-Up
- Town of Caryville – Follow-Up
- Greater Orlando Aviation Authority – Follow-Up
- City of Gulf Breeze – Follow-Up
- City of Melbourne – Follow-Up

OVERVIEW OF AUDIT AND ACCOUNTABILITY ACTIVITIES

- Reviews of Financial Audit Reports Issued by Other CPAs
 - 1,560 Local Governmental Entity Financial Audit Reports for the 2020-21 Fiscal Year (Report No. 2023-053)
 - 196 Nonprofit, For-Profit, and Other Entities (Report No. 2023-018)
 - 22 District School Boards and 676 Charter Schools and Technical Career Centers (Report No. 2023-003)
 - Significant Findings and Financial Trends Reports
- Quality Assessment Reviews (9)
- Professional Activities

PROJECTED WORK PLAN

- Projected 2-Year Work Plan Required by Section 11.45(7)(h), Florida Statutes.
- Covers 2023 and 2024.
- Included in Annual Report as **EXHIBIT A**.

EXHIBIT A PROJECTED WORK PLAN 2024		Date of Last Issued Report
Financial Audits		
<i>Financial audits generally begin in the summer or early fall and are issued by March 31.</i>		
Department of the Lottery	01/27/2022	01/27/2022
Florida Retirement System Pension Plan and Other State-Administered Systems	12/22/2021	12/22/2021
Florida School for the Deaf and the Blind	09/21/2022	09/21/2022
Schedules of Employer Allocations and Pension Amounts by Employer for the Florida Retirement System Pension Plan and the Retiree Health Insurance Subsidy Program - Cost-Sharing/Multiple Employer Defined Benefit Pension Plans	01/19/2022	01/19/2022
State Board of Administration Local Government Surplus Funds Trust Fund (Florida PRIME)	01/05/2022	01/05/2022
State of Florida Annual Comprehensive Financial Report	03/29/2022	03/29/2022
State of Florida Compliance and Internal Controls Over Financial Reporting and Federal Awards Reporting Entity, including the Audit of Federal Awards	09/30/2022	09/30/2022
School Districts		
Baker County District School Board	09/15/2022	09/15/2022
Bay County District School Board	09/25/2021	09/25/2021
Bradford County District School Board	09/31/2022	09/31/2022
Calhoun County District School Board	09/07/2022	09/07/2022
Clay County District School Board	09/16/2022	09/16/2022
Columbia County District School Board	03/04/2022	03/04/2022
DeSoto County District School Board	01/27/2022	01/27/2022
Dixie County District School Board	09/17/2022	09/17/2022
Escambia County District School Board	12/17/2020	12/17/2020
Flagler County District School Board	09/28/2022	09/28/2022
Franklin County District School Board	12/15/2021	12/15/2021
Gadsden County District School Board	09/29/2022	09/29/2022
Gilchrist County District School Board	01/31/2022	01/31/2022
Glades County District School Board	09/22/2022	09/22/2022
Gulf County District School Board	02/07/2022	02/07/2022
Hamilton County District School Board	09/08/2022	09/08/2022
Hardee County District School Board	09/22/2022	09/22/2022
Hendry County District School Board	09/25/2022	09/25/2022
Highlands County District School Board	09/28/2022	09/28/2022
Hillsborough County District School Board	09/26/2021	09/26/2021
Holmes County District School Board	01/24/2022	01/24/2022
Indian River County District School Board	02/18/2021	02/18/2021
Jackson County District School Board	09/28/2022	09/28/2022
Jefferson County District School Board	09/29/2022	09/29/2022
Lalaye County District School Board	01/14/2022	01/14/2022

REPORTS ISSUED

NOVEMBER 1, 2021, THROUGH OCTOBER 31, 2022

EXHIBIT B

REPORTS ISSUED DURING THE PERIOD NOVEMBER 1, 2021, THROUGH OCTOBER 31, 2022

Report Number	Audited Entity and Report Title	Period Audit Was Conducted	Issued Date	Expected Issue Date Met	Comments
State Government					
2022-057	Agency for Persons with Disabilities – Prior Audit Follow-Up - Operational Audit	02/2021 – 08/2021	12/02/2021	Yes	
2022-200	COVID-19 Data Collection and Reporting – At Selected State Entities – Operational Audit	09/2020 – 11/2021	06/01/2022	No	Audit Staff Resources, COVID-19, Findings
2022-048	Department of Agriculture and Consumer Services – Administration of Mosquito Control Programs, Licensing, and Research, Selected Information Technology Controls, and Prior Audit Follow-Up – Operational Audit	03/2020 – 05/2021	11/08/2021	No	Audit Staff Resources, Expanded Testing
2023-010	Department of Citrus – Contract Procurement and Management and Other Administrative Activities – Operational Audit	03/2022 – 07/2022	08/22/2022	Yes	
2023-039	Department of Elder Affairs – Selected Administrative Activities and Prior Audit Follow-Up – Operational Audit	12/2021 – 05/2022	10/14/2022	Yes	
2022-128	Department of Financial Services – Florida Accounting Information Resource Subsystem (FLAIR) and Selected Information Technology General Controls – Information Technology Operational Audit	05/2021 – 11/2021	02/21/2022	Yes	
2023-022	Department of Management Services – Integrated Retirement Information System (IRIS) – Information Technology Operational Audit	12/2021 – 05/2022	09/20/2022	Yes	
2022-203	Department of Management Services – Oversight of Private Correctional Facilities – Operational Audit	04/2020 – 09/2021	06/27/2022	No	Audit Staff Resources

REPORTS SCHEDULED TO BE ISSUED SUBSEQUENT TO OCTOBER 31, 2022, AND BEFORE MARCH 31, 2023

EXHIBIT C REPORTS SCHEDULED TO BE ISSUED SUBSEQUENT TO OCTOBER 31, 2022, AND BY MARCH 31, 2023

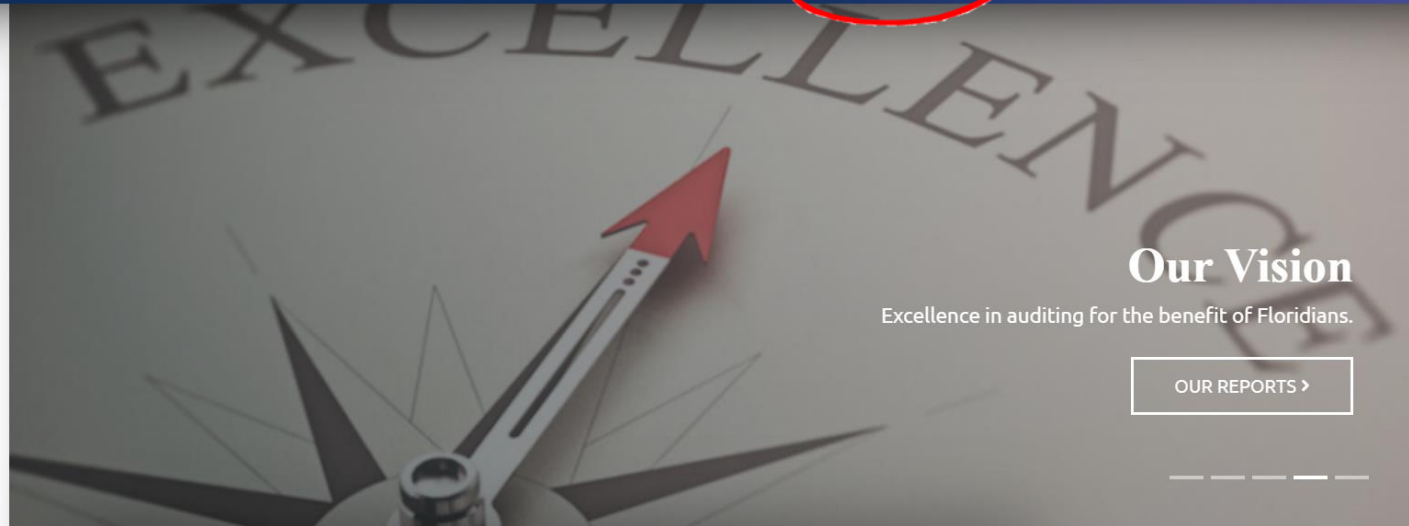
Audit Entity	Scope/Areas of Operation
State Government	
Department of Children & Families	Oversight and Administration of Community-Based Care Lead Agencies
Department of Corrections	Prior Audit Follow-Up and Selected Administrative Activities
Department of Education	Charter School Administration and Prior Audit Follow-Up
Department of Environmental Protection	Selected Administrative Activities and Prior Audit Follow-Up Land Acquisition Monitoring and Screening
Department of Financial Services	Division of State Fire Marshal and Selected Administrative Activities Information Technology – Florida Accounting Information Resource Subsystem and Selected General Controls
Department of Highway Safety & Motor Vehicles	Bureau of Motorist Services Support Quality Assurance Program and Prior Audit Follow-Up
Department of Juvenile Justice	Selected Administrative Activities and Prior Audit Follow-Up
Department of Law Enforcement	Office of Executive Investigations, Selected Administrative Activities, and Prior Audit Follow-Up
Department of Legal Affairs	Data Security Breach Investigations
Department of the Lottery	Financial Statements
Department of Management Services	Florida Retirement System Financial Statements Florida Retirement System Allocation Florida Retirement System Attestation



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REPORTS ISSUED BY THE AUDITOR GENERAL

[STATE OF FLORIDA FINANCIAL AND FEDERAL AWARDS AUDIT REPORTS](#)

[TYPES OF ENGAGEMENTS](#)

[LISTING OF OLDER REPORTS](#)

SEARCHABLE LISTING OF REPORTS

Fiscal Year: Entity Type: Entity Audited: Engagement Type:

Number	Title	Audit Period	Date Issued
2023-070	Charlotte County District School Board - Operational Audit		12/16/2022
2023-069	University of South Florida - Financial Audit	FYE 06/30/2022	12/16/2022
2023-068	Pasco County District School Board - Operational Audit		12/16/2022
2023-067	Pensacola State College - Workday® Enterprise Cloud Applications -		12/15/2022



AUDITOR GENERAL
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OPPAGA

The Legislature's Program Review Office

A Presentation to the Joint Legislative Auditing Committee

PK Jameson, JD
Coordinator



OPPAGA

Office of Program Policy Analysis and Government Accountability

JANUARY 5, 2023

Background on OPPAGA

What is OPPAGA?

- Non-partisan legislative agency that provides data, evaluative research, and objective analyses to assist legislative budget and policy deliberations
- Created in 1994 by the Government Performance and Accountability Act
- Representative of a widely recognized legislative support profession

Who determines OPPAGA's research projects?

- Currently authorized under Joint Rule Three
- Conducts research as directed by state law, the presiding officers, or the Joint Legislative Auditing Committee

What Does OPPAGA Provide to the Legislature?

- Provides the Legislature the independent capacity to assess programs and policies
- Designs and carries out methodologically complex and often original research
- Maintains the capacity to answer research questions across policy areas
- Analyzes large and often confidential data sets, integrating data from multiple agencies
- Provides contract management services

The Staff at OPPAGA

- Wide variety of degrees and professional experiences
- Most analysts hold graduate degrees; 15 hold PhDs or JDs
- Skill sets complement other legislative staff
- Hiring reflects evolving legislative demands for information
- Contact information in packet

OPPAGA Conducts Research in 4 Policy Areas With Support From Methodology



Conducting Research

OPPAGA analysts use a wide variety of qualitative and quantitative research tools

Qualitative

- Interviews with agency and program officials, clients, stakeholders – Florida and multi-state
- Site visits
- Surveys
- Focus groups

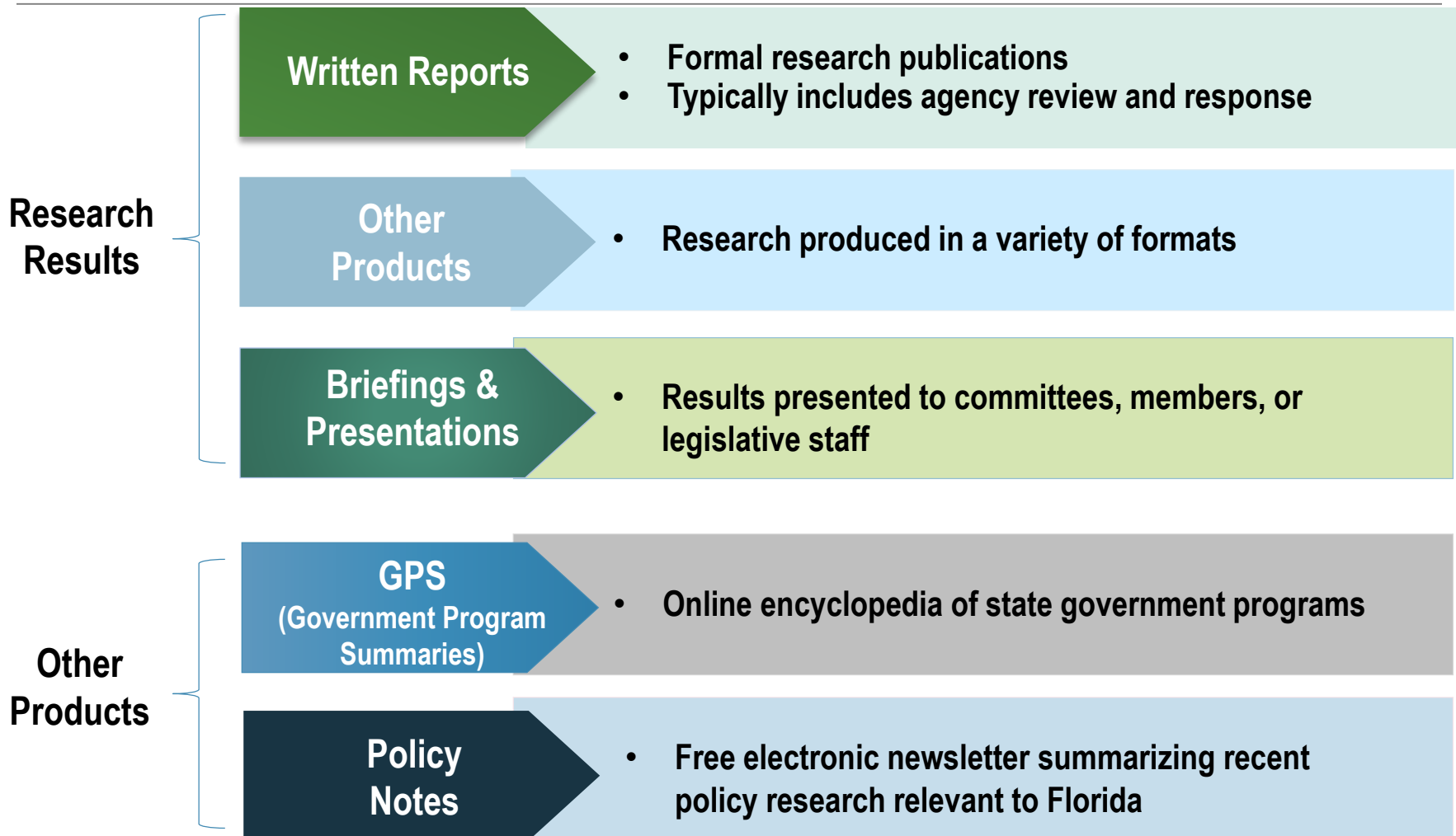
Quantitative

- Primary data through surveys
- Data from agencies and outside entities
- Statistical analysis and modeling

Examples of Recent Research



OPPAGA Products



Government Program Summaries

Government Program Summaries (GPS) is a free resource that provides descriptive information on over 200 state agencies and programs. For fiscal data, GPS links to [Transparency Florida](#), which includes continually updated information on state agencies' operating budgets and expenditures.



[Programs by Agency >](#)

What is contained in GPS summaries?

Generally, GPS summaries provide the following information.

- Program purpose
- Program funding
- Program updates
- References to other sources of program information
- Agency contact information and links to other sites that may be of interest



IN THIS ISSUE:

CRIMINAL JUSTICE

[Supporting Law Enforcement and Prosecution of Opioid-Related Overdose Deaths](#)

[How to Facilitate a Discussion about Child Sexual Exploitation in Your Community: A Facilitation Guide](#)

[Statistical Briefing Book Offers Data Snapshot on Juvenile Residential Facilities](#)

EDUCATION

[Homeless and Foster Youth Services](#)

[Encouraging Families to Visit a Literacy Website: A Randomized Study of the Impact of Email and Text Message Communication](#)

[Student Loan Default Patterns](#)

GOVERNMENT OPERATIONS

[Methodology for Rural and Small-City U.S. Transit Agency Peer Grouping](#)

[The Space Imperative: A Whole-Of-Nation Approach to a Sustainable, Secure, and Resilient Space Domain](#)

[Next Steps on the Child Tax Credit](#)

HEALTH AND HUMAN SERVICES

December 9, 2022



CRIMINAL JUSTICE

[Supporting Law Enforcement and Prosecution of Opioid-Related Overdose Deaths](#)

In 2021, the United States recorded the highest number of deaths resulting from drug overdoses over a 12-month period. Synthetic opioids, including illicit fentanyl, were involved in 66% of these overdose deaths. Cuyahoga County's (Ohio) Medical Examiner's Office developed the Heroin Involved Death Investigation (HIDI) Protocol to support a safe, coordinated, and rapid response to active drug overdose death scenes. Per the protocol, alerts are sent to law enforcement investigators if the medical examiner suspects a death is related to opioid use or overdose. These alerts notify law enforcement of potential dangers and facilitate protection of the scene and collection of evidence. Researchers at Case Western Reserve University Begun Center for Violence Prevention Research examined the HIDI Protocol and determined that the protocol is an innovative, collaborative system of data protection, collection, and flow that supports overdose investigations. In addition, the researchers identified several opportunities for improvement, such as creating an office to track data flow and act as a repository for opioid overdose criminal case outcomes. The research team concluded that, with slight modifications, the HIDI Protocol could be implemented in other communities experiencing similar opioid overdose-related challenges. However, applications to other jurisdictions would need to consider potential risks and harms to individuals or groups and ethical considerations that may factor into use of the protocol. In addition, users should be aware of all relevant statutes, regulations, and/or governing judicial decisions related to the protocol's use.

Source: U.S. Department of Justice, Office of Justice Programs

[How to Facilitate a Discussion about Child Sexual Exploitation in Your Community: A Facilitation Guide](#)


The purpose of this guide is to provide judges with guidance on how to convene a group of court and community stakeholders to address child sex trafficking on a local level. The guide is intended to help courts and community stakeholders understand and discuss what puts minors at risk for sexual exploitation, also known as on-ramps into the life of

Questions?

Contact Information

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Coordinator

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FLORIDA LEGISLATURE OFFICE OF PROGRAM POLICY ANALYSIS
& GOVERNMENT ACCOUNTABILITY

OPPAGA supports the Florida Legislature by providing data, evaluative research, and objective analyses that assist legislative budget and policy deliberations.

5 Understanding Audit Reports

OPERATIONAL AUDIT REPORTS

LEGISLATIVE AUDITING COMMITTEE

JANUARY 5, 2023



OPERATIONAL AUDIT - DEFINED

Section 11.45(1)(i), Florida Statutes:

“Operational audit” means an audit whose purpose is to evaluate management's performance in establishing and maintaining internal controls, including controls designed to prevent and detect fraud, waste, and abuse, and in administering assigned responsibilities in accordance with applicable laws, administrative rules, contracts, grant agreements, and other guidelines.

Operational audits must be conducted in accordance with *Government Auditing Standards*. Such audits examine internal controls that are designed and placed in operation to promote and encourage the achievement of management's control objectives in the categories of compliance, economic and efficient operations, reliability of financial records and reports, and safeguarding of assets, and identify weaknesses in those internal controls.

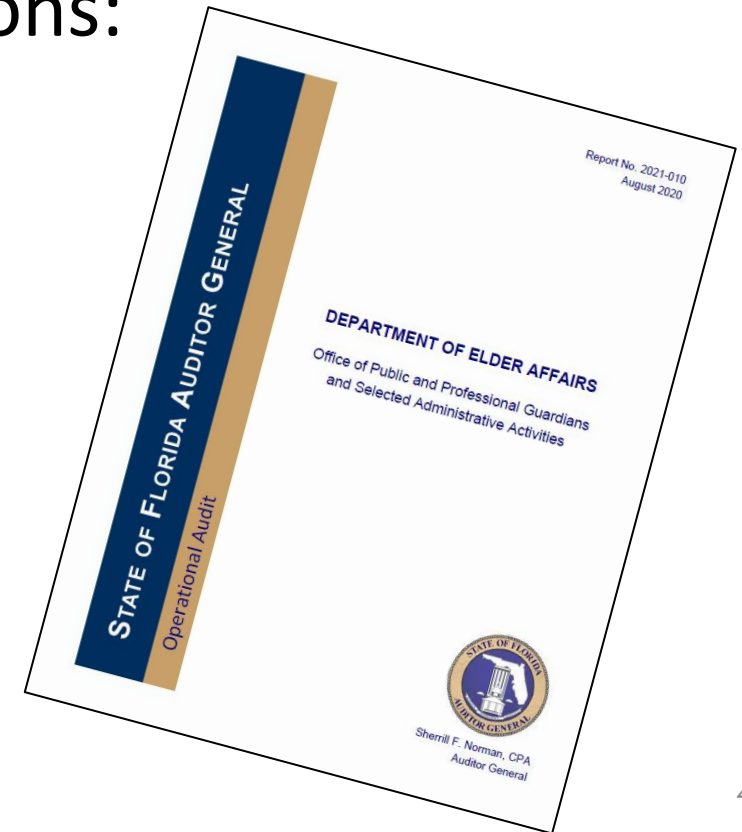
OPERATIONAL AUDIT REPORT CAVEAT

An audit by its nature does not include a review of all records and actions of management, staff, and vendors, and as a consequence, cannot be relied upon to identify all instances of noncompliance, fraud, waste, abuse, or inefficiency.

OPERATIONAL AUDIT REPORT CONTENT

Most operational audit reports have 7 sections:

1. Summary
2. Background
3. Findings and Recommendations
4. Prior Audit Follow-Up
5. Objectives, Scope, and Methodology
6. Authority
7. Management's Response



OPERATIONAL AUDIT REPORT CONTENT

SUMMARY: Describes the focus of the operational audit, including whether the audit included a follow-up on prior audit findings, and provides an enumerated listing of the summarized report findings.

OPERATIONAL AUDIT REPORT CONTENT

BACKGROUND: Provides information about the audited entity and may also provide information about the particular topic areas included in the scope of the audit.

OPERATIONAL AUDIT REPORT CONTENT

FINDINGS AND RECOMMENDATIONS: Describes the deficiencies disclosed by our audit procedures. Each finding includes the criteria, condition, cause, and an effect and provides a recommendation for corrective action.

OPERATIONAL AUDIT REPORT – FOLLOW-UP

PRIOR AUDIT FOLLOW-UP: Refers to the status of the audited entity's actions to correct prior audit findings that are significant to the scope of the operational audit.

OPERATIONAL AUDIT REPORT CONTENT

OBJECTIVES, SCOPE, AND METHODOLOGY: States that we conducted our audit in accordance with *Government Auditing Standards* and describes our overall audit objectives and the topics included in the scope of the audit. In this section we discuss what we tested, how we tested it, the amount we tested relevant to the applicable population, and the objectives of our audit procedures.

OPERATIONAL AUDIT REPORT CONTENT

AUTHORITY: The authority section cites the statutory reference providing our authority to conduct the audit.

OPERATIONAL AUDIT REPORT CONTENT

MANAGEMENT'S RESPONSE: Provides a facsimile of management's response to our findings and recommendations.

OPERATIONAL AUDIT REPORT DISTRIBUTION

- Our operational audit reports are delivered to:
 - Management of the audited entity
 - Government officials charged with governance
 - Applicable legislative committee staff
 - Members of the media who request our reports
- Our reports are posted to our Web site: FLAuditor.gov
- Pursuant to the Joint Rules of the Legislature, we periodically send members of the Legislative Auditing Committee lists of recently issued reports with links to those reports.



MATTHEW J. TRACY, CPA
DEPUTY AUDITOR GENERAL

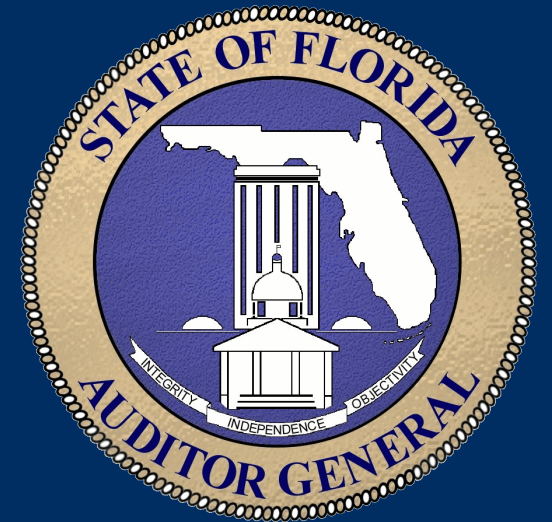
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FINANCIAL AUDIT REPORTS

LEGISLATIVE AUDITING COMMITTEE

JANUARY 5, 2023



OVERVIEW - FINANCIAL AUDIT REPORTS

- Who is responsible for the basic financial statements and schedules in the financial audit report?
- What statements and schedules in the report have been independently verified by the auditor, what portions have not been verified, and what assurance is given by the auditor regarding the different information in the audit report?

OVERVIEW - FINANCIAL AUDIT REPORTS

- How can the financial health of the audited entity be determined?
- Are significant control deficiencies or material noncompliance reported that may cause misrepresentations in the reported financial information?
- What is a “management letter” and what must be in the letter?



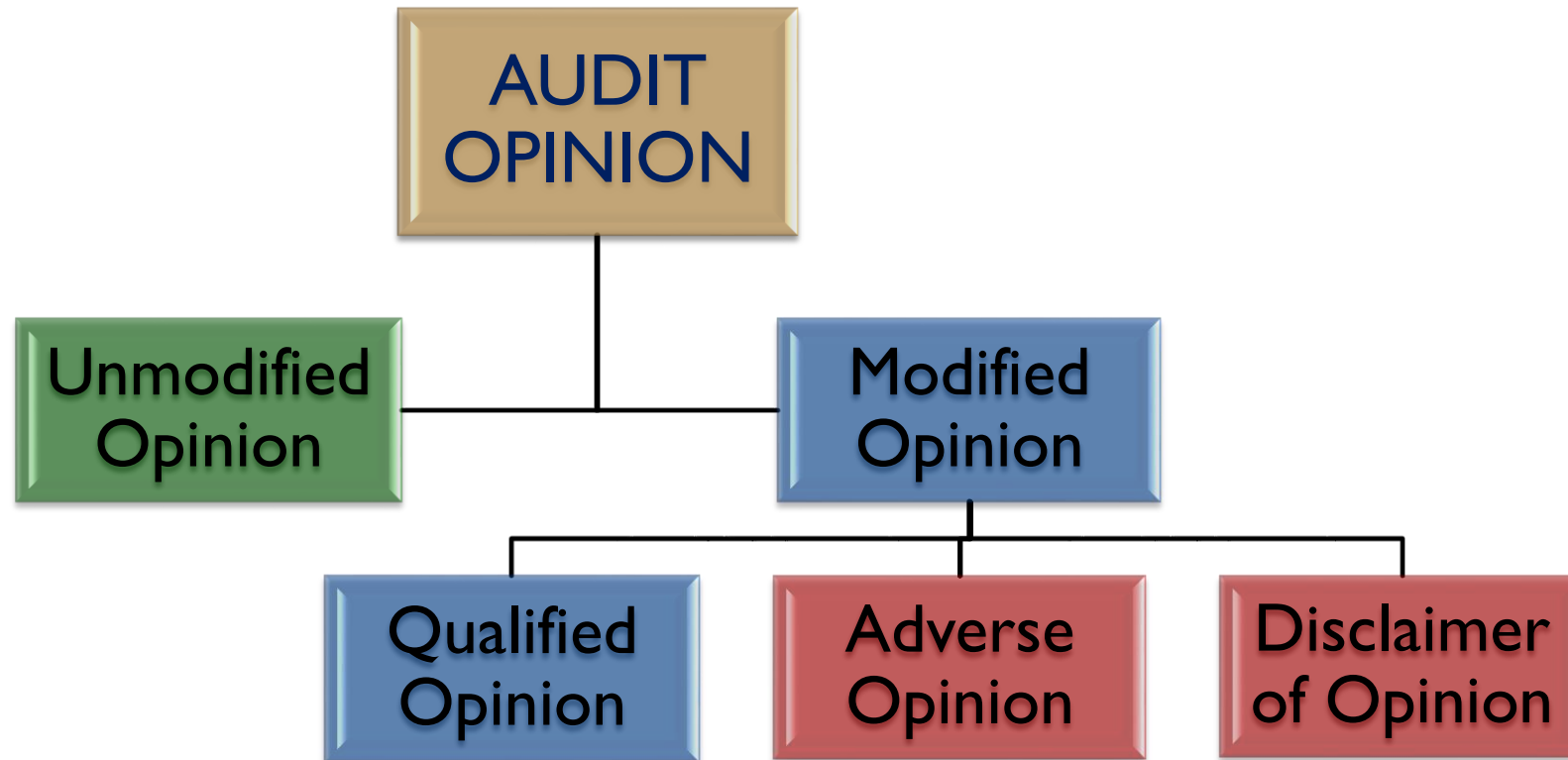
INDEPENDENT AUDITOR'S REPORT – RESPONSIBILITY

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for 12 months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

AUDIT OPINION



The President of the Senate, the Speaker of the House of Representatives, and the Legislative Auditing Committee

INDEPENDENT AUDITOR’S REPORT

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Hamilton County District School Board, as of and for the fiscal year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the District’s basic financial statements as listed in the table of contents.

In our opinion, based on our audit and the report of other auditors, **the accompanying financial statements** referred to above **present fairly**, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Hamilton County District School Board, as of June 30, 2022, and the respective changes in financial position thereof for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.



**INDEPENDENT
AUDITOR’S
REPORT –
AUDIT OPINION**

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that **MANAGEMENT'S DISCUSSION AND ANALYSIS**, the **Budgetary Comparison Schedule – General and Major Special Revenue Funds**, **Schedule of Changes in the District's Total OPEB Liability and Related Ratios**, **Schedule of the District's Proportionate Share of the Net Pension Liability – Florida Retirement System Pension Plan**, **Schedule of District Contributions – Florida Retirement System Pension Plan**, **Schedule of the District's Proportionate Share of the Net Pension Liability – Health Insurance Subsidy Pension Plan**, **Schedule of District Contributions – Health Insurance Subsidy Pension Plan**, and **Notes to Required Supplementary Information**, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. **We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.**

INDEPENDENT AUDITOR'S REPORT – AUDIT OPINION

REQUIRED SUPPLEMENTARY INFORMATION (RSI)

To help evaluate the financial health of the reporting entity, a financial statement user can examine certain RSI, including:

- Management's Discussion and Analysis (MD&A)
- Budgetary Comparison Schedules

MANAGEMENT'S DISCUSSION AND ANALYSIS

The management of the Hamilton County District School Board has prepared the following discussion and analysis to provide an overview of the District's financial activities for the fiscal year ended June 30, 2022. The information contained in the Management's Discussion and Analysis (MD&A) is intended to highlight significant transactions, events, and conditions and should be considered in conjunction with the District's financial statements and notes to financial statements found immediately following the MD&A.

FINANCIAL HIGHLIGHTS

Key financial highlights for the 2021-22 fiscal year are as follows:

- As of June 30, 2022, the assets and deferred outflows of resources exceed the liabilities and deferred inflows of resources by \$36,620,820.
- In total, net position increased \$884,568, which represents a 2.5 percent increase over the 2020-21 fiscal year.
- General revenues total \$20,787,994, or 92.2 percent of all revenues. Program specific revenues in the form of charges for services, operating grants and contributions, and capital grants and contributions total \$1,762,356, or 7.8 percent of all revenues.
- Expenses total \$21,665,782. Only \$1,762,356 of these expenses was offset by program specific revenues, with the remainder paid from general revenues.
- At the end of the current fiscal year, the fund balance of the General Fund totals \$3,476,674, which is \$893,313 more than the prior fiscal year balance. The General Fund assigned and unassigned fund balances total \$2,889,315, or 20.5 percent of total General Fund revenues.

MANAGEMENT'S DISCUSSION AND ANALYSIS – GENERAL FUND BALANCE

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position over time may serve as a useful indicator of a government's financial health. The following is a summary of the District's net position as of June 30, 2022, compared to net position as of June 30, 2021:

Net Position, End of Year

	Governmental Activities	
	6-30-22	6-30-21
Current and Other Assets	\$ 6,867,871	\$ 5,651,366
Capital Assets	41,847,331	43,196,785
Total Assets	48,715,202	48,848,151
Deferred Outflows of Resources	3,850,666	4,381,239
Long-Term Liabilities	8,021,072	15,605,165
Other Liabilities	1,120,023	973,117
Total Liabilities	9,141,095	16,578,282
Deferred Inflows of Resources	6,803,953	914,856
Net Position:		
Net Investment in Capital Assets	40,730,502	41,850,069
Restricted	2,834,792	2,631,026
Unrestricted (Deficit)	(6,944,474)	(8,744,843)
Total Net Position	\$ 36,620,820	\$ 35,736,252

MANAGEMENT'S DISCUSSION AND ANALYSIS – NET POSITION

OTHER REQUIRED SUPPLEMENTARY INFORMATION

Budgetary Comparison Schedule General and Major Special Revenue Funds For the Fiscal Year Ended June 30, 2022

	General Fund			Variance with Final Budget - Positive (Negative)
	Original Budget	Final Budget	Actual	
Revenues				
Intergovernmental:				
Federal Direct	\$ 71,000.00	\$ 47,579.04	\$ 47,579.04	\$ -
Federal Through State and Local State	66,506.07 8,545,377.00	71,174.75 8,961,634.45	26,485.82 8,951,530.01	(44,688.93) (10,104.44)
Local:				
Property Taxes	4,635,457.00	4,748,980.00	4,742,716.94	(6,263.06)
Charges for Services	-	-	13,681.94	13,681.94
Miscellaneous	257,750.00	337,229.78	338,682.25	1,452.47
Total Local Revenues	4,893,207.00	5,086,209.78	5,095,081.13	8,871.35
Total Revenues	13,576,090.07	14,166,598.02	14,120,676.00	(45,922.02)
Expenditures				
Current - Education:				
Instruction	7,462,700.78	6,778,814.53	6,195,193.66	583,620.87
Student Support Services	594,824.30	795,899.19	725,802.84	70,096.35
Instructional Media Services	190,335.63	196,998.08	185,223.04	11,775.04
Instruction and Curriculum Development Services	271,716.88	333,771.75	325,136.89	8,634.86
Instructional Staff Training Services	50,821.25	68,247.25	56,769.89	11,477.36
Instruction-Related Technology	106,955.96	126,591.37	111,445.49	15,145.88
Board	349,987.56	368,535.61	348,852.83	19,682.78
General Administration	214,391.64	342,744.81	321,103.05	21,641.76
School Administration	848,132.12	857,206.54	839,015.78	18,190.76
Facilities Acquisition and Construction	6,641.53	5,693.56	-	5,693.56
Fiscal Services	630,828.08	624,219.02	508,869.11	115,349.91
Food Services	-	28,245.73	25,054.23	3,191.50
Central Services	184,982.90	202,322.26	183,141.01	19,181.25
Student Transportation Services	566,158.41	1,181,900.88	1,107,835.09	74,065.79
Operation of Plant	1,684,465.72	1,974,000.36	1,827,734.68	146,265.68
Maintenance of Plant	274,938.77	290,494.05	270,322.80	20,171.25
Administrative Technology Services	321,373.49	349,765.91	302,461.44	47,304.47
Community Services	740.22	4,221.58	3,710.16	511.42
Fixed Capital Outlay:				
Other Capital Outlay	-	25,876.20	25,876.20	-
Total Expenditures	13,759,995.24	14,555,548.68	13,363,548.19	1,192,000.49

BUDGETARY COMPARISON SCHEDULE

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE

This Report describes:

- Significant deficiencies and material weaknesses in government controls over financial reporting.
- Material noncompliance with provisions of laws, rules, regulations, contracts, and grant agreements that could have a direct and material effect on the determination of financial statement amounts.
- Additional matters.

INDEPENDENT AUDITOR'S REPORT ON EACH MAJOR FEDERAL PROGRAM COMPLIANCE AND INTERNAL CONTROL

This Report provides the:

- Auditor's opinion on entity compliance with requirements that could have a direct and material effect on each of the entity's major Federal programs.
- Significant deficiencies and material weaknesses in government controls over major Federal program compliance identified during the audit.
- Instances of noncompliance with requirements that could have a direct and material effect on each of the entity's major Federal programs.

MANAGEMENT LETTER

- State law defines the “Management Letter” as a statement of the auditor’s comments and recommendations.
- Auditor General rules require CPAs who perform financial audits of entities such as local governments, district school boards, and charter schools to include a management letter in their audit reports.

MANAGEMENT LETTER

Management Letters must include, for example:

- The status of prior audit findings.
- Immaterial noncompliance or abuse that occurred, or are likely to have occurred, and warrants the attention of those charged with governance.

MANAGEMENT LETTER

- A statement describing the results of the auditor's determination as to whether or not the entity met one or more of the statutory defined conditions that may lead to a financial emergency and identification of the specific condition(s) met.

MANAGEMENT LETTER

- If the auditor reported that the entity met one or more of the conditions that may lead to a financial emergency, a statement whether such condition(s) resulted from a deteriorating financial condition(s). Findings regarding deteriorating financial conditions must be prepared in accordance with Auditor General rules.

MANAGEMENT LETTER

- A statement that the auditor applied financial condition assessment procedures pursuant to Auditor General rules.

FINANCIAL CONDITION ASSESSMENT

← → ↻ 🏠 | 🔒 https://flauditor.gov/local%20govt/fca_instructions.html ☆ ⚙ 🗑 Not syncing 👤



FLORIDA AUDITOR GENERAL
SHERRILL F. NORMAN, CPA



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Search

FINANCIAL CONDITION ASSESSMENT INSTRUCTIONS

To assist auditors and local governments in making financial condition assessments, the Auditor General provides information such as financial data (indexed below), financial indicators, and benchmarks. Auditor General staff compile the information from audit reports and other sources. The Auditor General cannot certify the accuracy of the information provided since it originates from audit reports or other documents prepared by other organizations. Auditors and local government officials using the information will be responsible for reviewing the data for reasonableness; however, Auditor General staff will assist auditors and local government officials in determining why data may appear questionable. Example procedures for obtaining data for a particular entity and using the data to perform a preliminary financial condition assessment are provided below. Additional information may also be found in [Frequently Asked Questions](#).

FINANCIAL CONDITION ASSESSMENT

APPENDIX A

FINANCIAL INDICATORS

	<i>INDICATOR</i>	<i>APPLICABILITY</i>	<i>WARNING TREND</i>	<i>FORMULA **</i>
1	Change in Net Position / Beginning Net Position	Government Wide Statement of Activities (Governmental Activities)	The percent change in net position indicates how the government's position changed during the year (positive or negative) as a result of resource flow.	1/2
2	Unassigned and Assigned Fund Balance + Unrestricted Net Position (Constant \$)	Unassigned and Assigned Fund Balance & Unrestricted Net Position from all funds combined (except Special Revenue Fund)	Declining results may indicate that the local government could have difficulty maintaining a stable tax and revenue structure or adequate level of services. Deficits may indicate a financial emergency.	(7+8+9+19)/38
3	Unassigned and Assigned Fund Balance / Total Expenditures	General fund and Governmental funds separately	Percentages decreasing over time may indicate unstructured budgets that could lead to future budgetary problems for the local government even if the current fund balance is positive.	7/14 & (7+8+9)/15
4	Current Cash & Investments / Current Liabilities	General fund, Governmental Funds, and Proprietary funds separately	Percentages decreasing over time may indicate that the local government has overextended itself in the long run or may be having difficulty raising the cash needed to meet its current needs.	3/5 & 4/6 & 17/18
5	Current Cash & Investments/ Total Expenditures or Total Operating Expenses divided by 12	Governmental funds and Proprietary funds separately	Percentages decreasing over time may indicate that the local government has overextended itself in the long run or may be having difficulty raising the cash needed to meet its current needs.	4/(15/12) & 17/(22/12)

SUMMARY OF SIGNIFICANT FINDINGS AND FINANCIAL TRENDS

State law requires the Auditor General to annually compile summary reports of significant findings and financial trends identified in district school board audits, charter school audits, and local government audits. The three reports must be presented to the:

- President of the Senate,
- Speaker of the House, and
- Legislative Auditing Committee



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