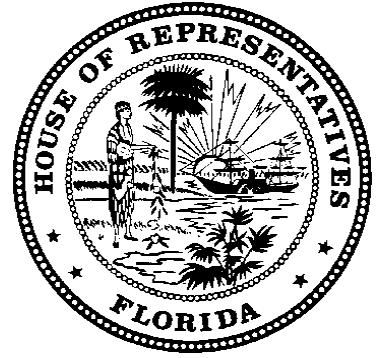


ANDY GARDINER
President of the Senate



STEVE CRISAFULLI
Speaker of the House



Joint Legislative Auditing Committee

Senator Joseph Abruzzo, Chair
Representative Daniel Raulerson, Vice Chair

Meeting Packet

Monday, November 30, 2015

4:00 P.M. to 6:00 P.M.

301 Senate Office Building

AGENDA

JOINT LEGISLATIVE AUDITING COMMITTEE

DATE: Monday, November 30, 2015

TIME: 4:00 p.m. to 6:00 p.m.

PLACE: Room 301, Senate Office Building

MEMBERS:

Senator Joseph Abruzzo, Chair

Representative Daniel D. Raulerson, Vice Chair

Senator Lizbeth Benacquisto

Senator Rob Bradley

Senator Audrey Gibson

Senator Wilton Simpson

Representative Debbie Mayfield

Representative Amanda Murphy

Representative Ray Rodrigues

Representative Cynthia Stafford

The Committee is expected to consider a request for an audit of Putnam County and the City of Palatka received from Representative Van Zant

The Committee is expected to consider a request for a follow-up audit of Leon County School District received from Representative Fresen

Presentation of the Auditor General's Annual Report

The Committee is expected to consider taking action against educational and local governmental entities that have failed to take full corrective action in response to repeat audit findings, pursuant to ss. 11.45(7)(j) and 218.39(8), F.S.

The Committee is expected to consider taking action against local governmental and educational entities that have failed to provide the Auditor General with: (1) significant items missing from audit reports submitted in accordance with s. 218.39, F.S., or (2) evidence of corrective action taken related to investment policies pursuant to ss. 11.40(2), 11.45(7)(b) and (d).

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Florida House of Representatives

Representative Charles Van Zant - District 19

The Honorable Joseph Abruzzo, Chairman
Joint Legislative Auditing Committee
111 W. Madison Street, Room 876
Tallahassee, Florida 32399-1100

2 November 2015

Dear Chair Abruzzo,

With this letter I hereby request the Joint Legislative Auditing Committee to conduct an in-depth audit of both Putnam County and the City of Palatka together.

My office continues to receive complaints regarding allegations of many, many improprieties about how Putnam County and Palatka are handling their affairs together. These allegations consist of misuse of money, including state and federal grant funds plus misrepresentation of information on grant applications, contractor fraud, significant cost over-runs on most construction projects, lack of statutorily mandated contracts, duplicate or multiple payments for the same work and a lack of financial oversight or accountability.

Additional terms such as "illegal", "corruption" and "electioneering" are mentioned in letters I have received, all asking me to request an audit. There are also allegations of improper law enforcement expenditures on both the county and city levels including the establishment of a shell corporation to siphon off funds that should have been spent in behalf of our taxpayers locally. Enclosed are letters from my constituents for your review in order to demonstrate the gravity of their concern.

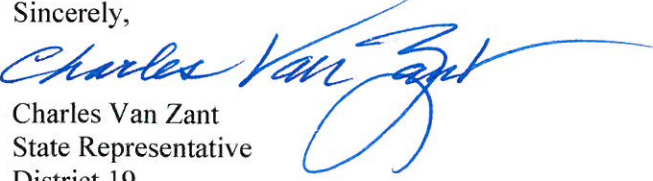
As you may be aware, last January Putnam County was named the **poorest county** in Florida according to a new study by 24/7 Wall Street. On top of that, Palatka, as the county seat and the center of both government entities, was recently named as **Florida's only "dying" city** by the Florida League of Cities. The reason is that unlike the rest of Florida and even though Putnam County's geographic location is on the St. Johns River between counties that are thriving, people are moving out, not in.

Two years ago, your committee was instrumental in bringing to light many of the egregious activities in the City of Hampton, where the audit revealed 31 serious findings. Today, their previous Mayor is in prison, their previous City Clerk has been arrested and charged, and their police force has been abolished. In addition and as a result of that audit, every person that was receiving or spent any monies resigned and new elections were held. The City of Hampton is now celebrating a completely new start with newly elected leadership.

I feel certain that a simultaneous audit of Palatka and Putnam County will reveal many similar issues that also need to be addressed and may explain why this area of my district is so "**poor and dying**".

Thank you for your attention to this matter and for all that you do for our state. The oversight your committee provides is critical to local government accountability and the best interests of the people we serve. I look forward to your favorable reply.

Sincerely,


Charles Van Zant
State Representative
District 19

STAFF ANALYSIS

Date: November 20, 2015

Subject: Request for an Audit of Putnam County and the City of Palatka

Analyst Coordinator

DuBose KD

DuBose KD

I. Summary:

The Joint Legislative Auditing Committee (Committee) has received a request from Representative Charles Van Zant to have the Committee direct the Auditor General to conduct an in depth audit of both Putnam County and the City of Palatka.

II. Present Situation:

Current Law

Joint Rule 4.5(2) provides that 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.

Joint Rule 4.5(1) provides that the Legislative Auditing Committee may direct the Auditor General or the Office of Program Policy Analysis and Government Accountability (OPPAGA) to conduct an audit, review, or examination of any entity or record described in Section 11.45(2) or (3), *Florida Statutes*.

Section 11.45(3)(a), *Florida Statutes*, provides that the Auditor General may, pursuant to his or her own authority, or at the discretion of the Legislative Auditing Committee, conduct audits or other engagements as determined appropriate by the Auditor General of the accounts and records of any governmental entity created or established by law.

Section 11.45(2)(j), *Florida Statutes*, provides, in part, that the Auditor General shall conduct a follow-up to his or her audit report on a local governmental entity no later than 18 months after the release of the audit report to determine the local governmental entity's progress in addressing the findings and recommendations contained in the previous audit report.

Request for an audit of Putnam County and the City of Palatka

Representative Van Zant has requested the Committee to direct an in-depth audit of both Putnam County (County) and the City of Palatka (City). He stated that his office "continues to receive complaints regarding allegations of many, many improprieties about how Putnam County and Palatka are handling their affairs together. These allegations consist of misuse of money, including state and federal grant funds plus misrepresentation of information on grant applications, contractor fraud, significant cost over-

runs on most construction projects, lack of statutorily mandated contracts, duplicate or multiple payments on the same work and a lack of financial oversight or accountability.”

Background

Putnam County

Putnam County (County) is a non-charter, general purpose local government established under the legal authority of the Constitution of the State of Florida.¹ The County, located in north central Florida east of Gainesville, has an estimated population of 72,523.² Close to 80% of its citizens reside in the unincorporated areas of the County; the remaining citizens reside in one of five municipalities, the largest of which is the City of Palatka.³

Countywide activities provided by the County include Administration, County Attorney, Human Resources, Information Technology, Emergency Management and Emergency Medical Services, Parks and Recreation, and certain payments to Constitutional Officers and nonprofit agencies.⁴

The County is governed by an elected five-member Board of County Commissioners (Board) and has the following elected Constitutional Officers: Clerk of the Circuit Court, Property Appraiser, Sheriff, Supervisor of Elections, and Tax Collector.⁵ The Board establishes policies and appoints a county administrator to implement the policies and manage the operations of the County. The Board also adopts the millage rate annually and approves the budget, which determines the expenditures and revenue necessary to operate all County departments, and most of the Constitutional offices. The following table describes the source of funding for each of the County Constitutional offices.

Office	Source of Funding
Clerk of the Circuit Court	<i>For the Clerk’s duties as Clerk to the Board and the Chief Financial Officer for the County:</i> The Board appropriates funds.
	<i>For the Clerk’s duties as Clerk of the Circuit and County Courts:</i> The Florida Legislature appropriates funds, and they are distributed by the Florida Justice Administrative Commission.
Property Appraiser	The Board appropriates funds to these offices; any unexpended appropriations are required to be returned to the Board at the end of the fiscal year.
Sheriff	
Supervisor of Elections	
Tax Collector	Fees, etc. are accessed for various transactions. The office retains fees, commissions, and other revenues to pay all operating expenditures, including statutory compensation. Any excess income is remitted to the Board and other County taxing authorities at the end of the fiscal year.

The Board and the offices of the Constitutional Officers are operated as separate County agencies in accordance with applicable provisions of the *Florida Statutes*.⁶ The powers and duties of the Board are established by Chapter 125, *Florida Statutes*.

¹ *Notes to Financial Statements; Putnam County, Florida; Audit Report; September 30, 2014*, 14.

² University of Florida, College of Liberal Arts and Sciences, Bureau of Economic and Business Research, *Florida Estimates of Population 2014*, 19.

³ The remaining four municipalities are Crescent City, Interlachen, Pomona Park, and Welaka.

⁴ *Supplementary Information; Putnam County, Florida; Audit Report; September 30, 2014*, 54.

⁵ *Ibid.*

⁶ *Ibid.*

Representative Van Zant stated that “last January Putnam County was named the poorest county in Florida according to a new study by 24/7 Wall Street.” For the years 2009-2013, the County’s poverty rate was 26.4% and the median household income was \$32,497.⁷ The state’s median household income during the same period was \$46,956.⁸

City of Palatka

The City of Palatka, incorporated in 1853,⁹ is located in Putnam County along the St. Johns River. The estimated population of the City as of April 1, 2014, was 10,377.¹⁰ The City is governed by a five-member Board of Commissioners, which includes an elected Mayor-Commissioner.¹¹

The City operates under a Commission/Manager form of government and provides services to its citizens including general administration, public safety, planning and zoning, and community enrichment and development.¹² The City operates a municipal golf course, an airport, and sanitation, water, and wastewater utility systems.¹³ The City also has two component units: the Palatka Downtown Redevelopment Agency and the Palatka Gas Authority.¹⁴

Representative Van Zant stated that “Palatka, as the county seat and the center of both government entities, was recently named as Florida’s only “dying” city by the Florida League of Cities. The reason is that unlike the rest of Florida and even though Putnam County’s geographic location is on the St. Johns River between counties that are thriving, people are moving out, not in.”

Recent Concerns and Events

As previously mentioned, Representative Van Zant has been receiving complaints over a period of time from citizens of Putnam County and the City of Palatka related to a number of areas. These complaints include the following:

- Purchase of vehicles by the Sheriff’s Office: Allegations include: (1) The Sheriff’s Office purchases vehicles from a certain car dealer in order to receive his support, and (2) Checks issued for vehicles appear to exceed the purchase price. For example, a vehicle is sold for \$25,000, but a check is received for \$45,000.
- Contracts for construction projects and roadwork appear to always go to the same contractors, have little oversight, and have significant cost overruns.

⁷ Thomas C. Frohlich, *The poorest county in each state*, 24/7 Wall St., <http://www.usatoday.com/story/money/personalfinance/2015/01/10/247-wall-st-poorest-county-each-state/21388095/>.

⁸ Ibid.

⁹ Florida League of Cities, Inc. Municipal Directory, <http://www.floridaleagueofcities.com/Directory.aspx?iID=386> (last visited November 19, 2015).

¹⁰ University of Florida, College of Liberal Arts and Sciences, Bureau of Economic and Business Research, *Florida Estimates of Population 2014*, 19.

¹¹ *Letter of Transmittal; City of Palatka, Florida; Comprehensive Annual Financial Report, For the Year Ended September 30, 2014*, i.

¹² Ibid.

¹³ Ibid.

¹⁴ Ibid.

- Quality control issues related to County roadwork projects; contractor(s) have not consistently been forced to remedy substandard performance.
- No-bid contracts are issued, at least in some situations, in violation of State law.
- It is common for certain architects to be paid multiple times for the same work.
- Issues related to the City's effort to provide water taxi service, including an alleged lack of due diligence in selecting the vendor to renovate vessels, potential weakness in contract language, and other decisions made.
- In 2012, the Board's spending exceeded its approved budget; there was also uncertainty regarding how \$3 million was spent, as it appeared to be missing.
- In 2013, the Board spent approximately \$5 million on two pieces of property, using State and local funds, for the purpose of establishing public parks; however, no apparent development activity has occurred since the purchase.
- The Property Appraiser's Office provides favorable property tax assessments for some individuals.
- The Animal Control Facility is inadequate, poorly designed, and understaffed.
- The County Health Department has not addressed the high rate of cancer and cancer deaths in the County and has not appropriately communicated an apparent tuberculosis epidemic.
- The use of code enforcement to retaliate against citizens who speak up against a policy or action.

Numerous concerns were also provided related to the Better Place Plan (BPP), the County referendum approved for a local option penny sales tax. Collection of the sales tax began in 2003.¹⁵ The Florida Department of Revenue distributes 83% of the funds collected to Putnam County and the remaining 17% to the County's municipalities.¹⁶ The amount each municipality receives is pro-rated, based on population.¹⁷ Per the County's website, "[t]he Better Place Plan dollars are restricted in their use for capital projects only. They may not be used for general operating expenses or routine maintenance items. The locally adopted ordinance restricts their use and requires strict accountability." An estimated 60-65 million is expected to be raised during the first 15 years of the referendum; some of the funds have been used to meet matching requirements in order to obtain additional funding from outside sources.¹⁸ Although the majority of the funds have been used for transportation improvements, such as paving dirt roads and resurfacing roads, some of the funds have been used for facilities including a community center, emergency operations center, and expansions of the County health building and a library.¹⁹ Recently, Putnam County voters approved the extension of the BPP tax for an additional 15 years.

Specific concerns related to the BPP provided by citizens include:

- The decision by the Board to place the resolution to extend the BPP one-cent sales tax on the ballot in early 2015, well over two years before it was scheduled to expire at the end of 2017; citizens believed that that the 2016 election appeared to be a viable option.
- Scheduling an "emergency" meeting of the Board to consider ballot language for the referendum to extend the BPP tax, allegedly to limit citizen participation. Citizens contend that *Florida Statutes*

¹⁵ Yvonne C. Parrish, *The Better Place Plan: Definition/Oversight/Transparency*, http://www.putnam-fl.com/uploads/uploads/bpp/2015_BPP-DEFINITION_AND_OVERSIGHT.pdf (last visited November 19, 2015).

¹⁶ Ibid.

¹⁷ Ibid.

¹⁸ *Better Place Plan: Funding Our Plan*, <http://www.putnam-fl.com/bocc/index.php/county-departments/departments-a-i/administration/county-legislation/better-place-plan>, (last visited November 19, 2015).

¹⁹ *You Asked! Better Place Plan: Your Penny at Work*, [http://www.putnam-fl.com/uploads/uploads/bpp/You_Asked_BPP_\\$_AT_WORK.pdf](http://www.putnam-fl.com/uploads/uploads/bpp/You_Asked_BPP_$_AT_WORK.pdf), (last visited November 19, 2015).

were violated regarding public meetings by not providing “reasonable notice” and by not providing at least 15 days’ notice regarding the Board’s intent to enact a county ordinance. They further indicated that the February 17, 2015, “emergency” meeting was not listed on the County’s website.

- Possible Government in the Sunshine violation(s)²⁰ related to the need for the “emergency” meeting as there had been no apparent public discussion at prior Board meetings relating to future consideration of the BPP extension.
- Discussion at the “emergency” meeting was limited to ballot language only. Note: This was indicated in the Public Notice, which stated that the proposed ordinance would be discussed at a regular Board meeting the next week.
- Ballots with the referendum language were mailed to servicemen overseas prior to the Board’s vote to place the referendum on the ballot. This reportedly occurred in order to meet an election deadline.
- Weakening of the Oversight Committee as provided in the 2015 ordinance in comparison to the original 2002 ordinance.
- County employees removed political signs against the extension of the BPP tax from private property.
- Issues related to the amount of debt that has been incurred by the BPP and pay-off dates that occur after the expiration of the BPP. For example, a recent \$1.4 million loan approved by the Board has a pay-off in 2035, which is after the BPP is scheduled to expire on December 31, 2032.²¹

Some of the above-noted concerns could be addressed within the scope of an Auditor General audit; however, others appear to be policy decisions made by the Board and other matters typically outside the scope of an audit. Unless policy decisions do not comply with State law or local ordinance, it is within the Board’s authority to determine the timing and resources to be allocated to County operations. For example, unless the use of the funds to purchase the property for public parks included a requirement to develop the parks within a specified period of time, it is likely within the Board’s authority to determine when to proceed with the projects.

Allegedly, the FBI is conducting an investigation involving the Sheriff’s Office. According to a news article, the Sheriff stated “the FBI began asking questions two and a half years ago.”²² However, he also stated that he had not been interviewed and had not asked why the FBI was interested in the Sheriff’s Office.²³ One of the citizens who has provided information to Representative Van Zant indicated that he understands that the FBI’s investigation has expanded to include the Clerk of Courts Office and the Tax Collector’s Office. If the Committee directs the Auditor General to conduct an audit which includes any entity under an active law enforcement investigation, the Auditor General may need to delay all or part of the audit until the completion of the investigation. Any such decision will be made in consultation with the investigators to ensure that the Auditor General’s audit fieldwork does not interfere with an ongoing investigation.

Financial Audits

In accordance with Section 218.39(1), *Florida Statutes*, both the County and the City have obtained annual financial audits of their accounts and records by an independent certified public accountant

²⁰ Chapter 286, *Florida Statutes*, prohibits elected officials from meeting behind closed doors to make decisions that affect the citizens they represent unless a specific exemption has been provided.

²¹ Putnam County Ordinance No. 2015-5.

²² Scott J. Bryan, *FBI mum on potential Sheriff’s Office inquiry*, PALATKA DAILY NEWS, August 12, 2015.

²³ *Ibid.*

(CPA) and have consistently submitted the audit reports to the Auditor General's Office on a timely basis, as required by law. Pursuant to Section 218.39(7), *Florida Statutes*, these audits are required to be conducted in accordance with rules of the Auditor General promulgated pursuant to Section 11.45, *Florida Statutes*. The most recent audit reports submitted to the Auditor General are for the 2013-14 fiscal year.²⁴ A summary of these reports follows.

Putnam County

Section 218.39(2), *Florida Statutes*, provides that the County's audit report must be a single document that includes a financial audit of the County as a whole, and for each County agency other than the Board of County Commissioners, an audit of its financial accounts and records, including reports on compliance and internal controls, management letters, and financial statements as required by rules adopted by the Auditor General.

Summary of Certain Financial Information Included in the County's Audit Report:

- The County's assets and deferred outflows of resources exceeded its liabilities at the end of the fiscal year by \$166,026,978; this amount is the net position. Of this amount, \$14,607,103 may be used to meet the government's ongoing obligations to citizens and creditors.²⁵
- The County's total net position increased \$6,910,653 over the previous fiscal year.²⁶
- As of September 30, 2014, the County's governmental funds²⁷ reported combined ending fund balances of \$31,749,379, a decrease of \$624,168 (1.97%) from the prior fiscal year.²⁸
- Ad valorem taxes were 8.900 mills, an increase from 8.5765 mills in the prior fiscal year;²⁹ property taxes generated approximately \$31,152,000, an increase of 5.6% from the prior year.³⁰
- As of September 30, 2014, total long term obligations were \$37,496,017; of this approximately \$11 million is for governmental activities (i.e., general operations) and \$26 million is for business-type activities (i.e., landfill, water system).³¹

Audit Findings:

- Board of County Commissioners: Expenditures of the Local Housing Assistance (SHIP) fund, a nonmajor governmental fund, were in excess of the approved budget. Carryover funds were available to cover the excess expenditures, but the budget was not amended to reflect the available funds.
- Clerk of the Circuit Court: Expenditures of the Article V Records Modernization Fund were in excess of its approved annual budget.

²⁴ Audit reports for the 2014-15 fiscal year are due no later than June 30, 2016.

²⁵ *Management's Discussion and Analysis; Putnam County, Florida; Audit Report; September 30, 2014*, v.

²⁶ *Ibid.*

²⁷ Major governmental funds include: the General Fund (the primary operating fund of the County, which accounts for many of the core services that the County performs for its citizens) and the Better Place Plan Fund (used to account for revenues received from a one-cent discretionary surtax imposed to finance certain capital projects). Non-major governmental funds include: special revenue funds (used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditures for specified purpose other than debt service or capital projects); debt service funds; and capital projects funds.

²⁸ *Financial Statements, Putnam County, Florida; Audit Report; September 30, 2014*, 5.

²⁹ *Management Discussion and Analysis, Putnam County, Florida; Audit Report; September 30, 2014*, xv.

³⁰ *Ibid.*, p. ix.

³¹ *Notes to Financial Statements, Putnam County, Florida; Audit Report; September 30, 2014*, 32-33.

- Sheriff: As part of the audit process, it was necessary for the auditor to assist with the preparation of the Sheriff Office's financial statements. This finding is considered a material weakness.³²
- Tax Collector, Property Appraiser, and Supervisor of Elections: No audit findings were reported.

City of Palatka

Summary of Certain Financial Information Included in the City's Audit Report:

- "The net position of the City at the close of the fiscal year was \$51,461,855. Of this amount \$2,738,122 may be used to meet the government's ongoing obligations to citizens and creditors."³³
- "The City's total net position decreased by \$2,811,341 (5.18%). Due to a loss on the sale of land and a large transfer to the Golf Course fund, governmental net position decreased by \$3,464,662 (21.30%). The Enterprise funds [Water, Sanitation, Golf Course, and Airport] net position increased by \$653,321 (1.72%) due to a large transfer to the Golf Course fund from the General Fund."³⁴
- "As of September 30, 2014, the City's governmental funds reported combined ending fund balances of \$1,688,256, a decrease of \$2,146,763 (55.98%) [from the prior year]."³⁵
- Ad valorem taxes were 9.1749 mills and generated \$3,465,626, an increase of \$32,655 (0.95%) from the prior year.³⁶
- At fiscal year-end, the City's total outstanding debt was \$16,622,452.³⁷
- The City's bond rating was downgraded from 'A' to 'A-' by Fitch Ratings, Inc.³⁸

Audit Findings: No audit findings were reported.

Other Considerations

The Auditor General, if directed by the Committee, will conduct an operational audit and take steps to avoid duplicating the work efforts of other audits being performed of County or City operations. The primary focus of a financial audit is to examine the financial statements in order to provide reasonable assurance about whether they are fairly presented in all material respects. The focus of an operational audit is to evaluate management's performance in establishing and maintaining internal controls and administering assigned responsibilities in accordance with laws, rules, regulations, contracts, grant agreements, and other guidelines. Also, in accordance with Section 11.45 (2)(j), *Florida Statutes*, the Auditor General will be required to conduct an 18-month follow-up audit to determine the County's and the City's progress in addressing the findings and recommendations contained within the previous audit.

The Auditor General has no enforcement authority. If fraud is suspected, the Auditor General may be required by professional standards to report it to those charged with the County's and/or the City's governance and also to appropriate law enforcement authorities. Audit reports released by the Auditor

³² A material weakness is a deficiency, or combination of deficiencies, in internal control such that there is a reasonable possibility that one of the following will not be prevented, or detected and corrected on a timely basis (1) a material misstatement of the entity's financial statements, or (2) material noncompliance with a type of compliance requirement.

³³ *Management's Discussion and Analysis; City of Palatka, Florida; Comprehensive Annual Financial Report, For the Year Ended September 30, 2014*, xv.

³⁴ *Ibid.*

³⁵ *Ibid.*

³⁶ *Ibid.*, p. xxi.

³⁷ *Ibid.*, p. xxiv.

³⁸ *Ibid.*

General are routinely filed with law enforcement authorities. Implementation of corrective action to address any audit findings is the responsibility of the County's and the City's governing boards and management, as well as the citizens living within the boundaries of the County and the City. Alternately, any audit findings that are not corrected after three successive audits are required to be reported to the Committee by the Auditor General, and a process is provided in Section 218.39(8), *Florida Statutes*, for the Committee's involvement. First, the County and/or the City may be required to provide a written statement explaining why corrective action has not been taken and to provide details of any corrective action that is anticipated. If the statement is not determined to be sufficient, the Committee may request the Chair of the Board of County Commissioners and/or the City's Mayor to appear before the Committee. Ultimately, if it is determined that there is no justifiable reason for not taking corrective action, the Committee may direct the Department of Revenue and the Department of Financial Services to withhold any funds not pledged for bond debt service satisfaction which are payable to the County and/or the City until the County and/or the City complies with the law.

III. Effect of Proposed Request and Committee Staff Recommendation:

If the Committee directs the Auditor General to perform an audit, the audit should be an operational audit, as defined in Section 11.45(1)(g), *Florida Statutes*, of Putnam County and the City of Palatka. Pursuant to the authority provided in Section 11.45(3), *Florida Statutes*, the Auditor General shall finalize the scope of the audit during the course of the audit, providing that the audit-related concerns of Representative Van Zant are considered. In addition, the Auditor General should be allowed to set the timing of the audit as audit resources are available, consistent with her work plan and so as not to jeopardize the timely completion of statutorily mandated assignments.

IV. Economic Impact and Fiscal Note:

A. Tax/Fee Issues:

None.

B. Private Sector Impact:

None.

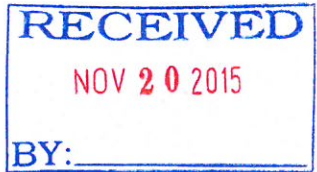
C. Government Sector Impact:

If the Committee directs the audit, the Auditor General will absorb the audit costs within her approved operating budget.

V. Related Issues:

None.

This staff analysis does not reflect the intent or official position of the requestor.
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Florida House of Representatives
Representative Erik Fresen
District 114

Erik.Fresen@myfloridahouse.gov

District Office:
6080 Bird Road St. 1
Miami, FL 33155
305-663-2011
305-663-2013 (fax)

Capitol Office:
222 The Capitol
402 South Monroe Street
Tallahassee, FL 32399
850-488-4092

November 19, 2015

Hon. Senator Joseph Abruzzo, Chair
Legislative Auditing Committee
876 Pepper Building
111 W. Madison Street
Tallahassee, FL 32399-1400

BY HAND DELIVERY

RE: AUDIT REQUEST

Dear Chairman Abruzzo:

Over the past many months, newspaper articles and radio and television reports have confirmed an active criminal investigation by the Federal Bureau of Investigation of the Leon County School District (School District) and its Superintendent, Jackie Pons, concerning potential violations of state and federal law relating to school construction contracts. (Tallahassee Democrat, "FBI probe into Leon County school district intensifies," April 11, 2015.) As well, those articles and reports have documented the District's hiring of well-known law firms to conduct "independent" investigations of the Superintendent and the School Board and District, and to represent Superintendent Pons, the District, and the School Board in defending any alleged criminal activity. (Tallahassee Democrat, "District hires criminal lawyers for Jackie Pons, School Board and employees," May 10, 2014; "Legal tab mounting for Leon County Schools investigations," May 14, 2015).

The numerous findings identified in Operational Audit Report No. 2015-088, and the reports of substantial expenditures - in the hundreds of thousands of dollars - for contracted legal services by the Leon County School District and the Superintendent are of concern to me.

David Winialski, Legislative Assistant

Alicia Araya, Executive Secretary

Committees: Education Appropriations Subcommittee (Chair), Appropriations,
Higher Education & Workforce Subcommittee, Regulatory Affairs, Government Operations Subcommittee

It is the scope of such findings and the appropriateness of the legal services expenditures that propel me to request that you, as the Chairman of the Legislative Auditing Committee, direct the Florida Auditor General to perform a follow-up operational audit for the year ended in June 2015, to include and incorporate the following:

1. The School District's progress in addressing the 28 findings and recommendations contained in Report No. 2015-088;
2. The full extent of expenditures made by the Superintendent, the School Board, and the School District - including those relating to hiring private law firms by the Office of the Superintendent, the School Board itself, or the School District at large - under the purported auspices of the investigation;
3. The legality of such expenditures, given the directives, responsibilities, and priorities of statutorily-established school districts, superintendents, and boards, under the Florida Statutes and rules of the State Board of Education.

Thank you for your serious consideration of this most urgent matter.

Respectfully submitted,



Representative Erik Fresen

cc: Hon. Representative Daniel Raulerson, Vice Chair

Staff Summary: Request for a Follow-Up Audit of the Leon County School District

Representative Erik Fresen has requested the Joint Legislative Auditing Committee (Committee) to direct the Auditor General to perform a follow-up operational audit of the Leon County School District (District).

Summary

In January 2015, the Auditor General released an operational audit report of the District (Report No. 2015-088), which was presented to the Committee on February 16, 2015. In accordance with Section 11.45(2)(f), *Florida Statutes*, the Auditor General is required to conduct an operational audit of the accounts and records of district school boards at least once every three years. If the Auditor General's Office follows its typical schedule, the next operational audit of the District will be performed for the fiscal year ending June 30, 2017. As part of the fieldwork performed for the next audit, the Auditor General will determine the District's progress in addressing the 28 findings reported in Report No. 2015-088.

The impact of Representative Fresen's request, if approved by the Committee, will be to direct the Auditor General to perform the District's next audit for the fiscal year which ended June 30, 2015, two years earlier than the audit would routinely be performed. In addition, Representative Fresen is requesting the audit to include matters related to the Superintendent, the School Board, and the District as a whole. Media reports have included information related to an investigation being conducted of the District's construction contracts and other issues. Specifically, his request includes determining the amount of funds that have been expended related to the investigation and the legality of such spending. Representative Fresen serves as the Chair of the House of Representatives' Education Appropriations Subcommittee.

Most Recent Operational Audit of the District

Auditor General Report No. 2015-088, the operational audit of the District released in January 2015, included 28 findings in the following areas: (1) administrative management and board policies, (2) construction administration, (3) personnel and payroll, (4) procurement, (5) restricted resources, (6) capital assets, (7) virtual instruction program, and (8) information technology. For a summary of the findings reported, please see the attached document. The Committee's [meeting packet for February 16, 2015](#), also includes the Auditor General's presentation and the audit report (See pages 53-113). The findings related to construction administration have received the most attention and have been the subject of an investigation by the Federal Bureau of Investigation, with reported participation by the Florida Department of Law Enforcement.

Audit Request

Representative Fresen's request¹ referenced media reports regarding an "active criminal investigation by the Federal Bureau of Investigation of the Leon County School District (School District) and its Superintendent, Jackie Pons, concerning potential violations of state and federal law relating to school construction contracts." He further stated that "those articles and reports have documented the District's hiring of well-known law firms to conduct "independent" investigations of the Superintendent and the School Board and District, and to represent Superintendent Pons, the District, and the School Board in defending any alleged criminal activity."

Representative Fresen requests that the Committee direct the Auditor General to perform a follow-up audit for the fiscal year ending June 30, 2015, to include the following:

- The District's progress in addressing the 28 findings and recommendations contained in Report No. 2015-088.
- The full extent of expenditures made by the Superintendent, the School Board, and the District – including those relating to hiring private law firms by the Office of the Superintendent, the School Board itself, or the District at large – under the purported auspices of the investigation.
- The legality of such expenditures, given the directives, responsibilities, and priorities of statutorily-established school districts, superintendents, and boards, under the *Florida Statutes* and rules of the State Board of Education.

¹ Letter to Hon. Senator Joseph Abruzzo, Chair; dated November 19, 2015.

News Articles and Other Information

Issues related to the District, primarily focusing on construction activities, an FBI investigation, and whistleblowers, have received a significant amount of media coverage in the Tallahassee area over the past 18 months or more. A brief summary of some of the issues reported which relate to Representative Fresen's audit request follows:

- The District hired a Jacksonville law firm to represent the District, including School Board members and employees, and to investigate allegations of wrongdoing involving school construction projects.² The attorney's report stated that "[t]he District circumvented state law regarding competitive selection in the assignment of contracts to qualified firms. We identified no evidence that Pons and his staff assigned contracts with criminal or fraudulent intent. The consistent lack of documentation evidencing the motivation for the decisions related to the awarding of contracts is concerning because it allows for speculation about motives, though we did not identify an unlawful causal link between selection or assignment of contracts and campaign contributions."³ The law firm had reportedly been paid \$145,363 for its investigation, as of June 2015.⁴
- The District also hired a Tallahassee law firm to represent the Superintendent.⁵ As of May 2015, the Tallahassee Democrat reported that the District had been billed \$94,235 by the firm for legal services.⁶
- As of May 2015, the District had been billed \$165,897 by its in-house counsel, a Tallahassee law firm, for legal services related to the federal and state criminal investigations.⁷
- In October 2014, the District was issued a subpoena by a federal grand jury working with the U.S. Attorney's Office and the FBI for "thousands of pages of documents involving construction projects at 17 schools from 2007 through 2013."⁸ The District reportedly hired a private company to scan the original documents at a cost of \$67,606.⁹
- In early 2015, the FBI confiscated the server which backs up all District email.¹⁰ According to the Tallahassee Democrat, "[t]he search and seizure warrant indicated federal authorities were conducting a broad investigation into allegations involving construction activities, campaign contributions, land purchases, personnel matters and concealment of evidence, among other things. It was executed after a federal magistrate judge found probable cause to believe evidence of a crime would be found in the records."¹¹

Note from Committee Staff

If the Committee directs the Auditor General to conduct this follow-up audit and any active law enforcement investigations are still in progress, the Auditor General may need to delay all or part of the audit until the completion of the investigation(s). Any such decision will be made in consultation with the investigators to ensure that the Auditor General's audit fieldwork does not interfere with an ongoing investigation.

² Jeff Burlew, *District hires criminal lawyers for Jackie Pons, School Board and employees*, TALLAHASSEE DEMOCRAT, May 10, 2014, <http://www.tallahassee.com/story/news/politics/2014/05/10/district-hires-criminal-lawyers-jackie-pons-school-board-employees/8959449/>.

³ Henry M. Coxe, III and Brian T. Coughlin, *Executive Summary, Report to: Leon County School Board*, June 23, 2015, p. 4.

⁴ Chris Gros, *District Lawyer Cost More Than \$140,000*, WCTV.tv, June 25, 2015,

[https://www.google.com/search?q=district+lawyer+cost+more+than+\\$140,000+leon&rls=com.microsoft:en-US:IE-Address&ie=UTF-8&oe=UTF-8&sourceid=ie7&gws_rd=ssl](https://www.google.com/search?q=district+lawyer+cost+more+than+$140,000+leon&rls=com.microsoft:en-US:IE-Address&ie=UTF-8&oe=UTF-8&sourceid=ie7&gws_rd=ssl).

⁵ Jeff Burlew, *District hires criminal lawyers for Jackie Pons, School Board and employees*, TALLAHASSEE DEMOCRAT, May 10, 2014, <http://www.tallahassee.com/story/news/politics/2014/05/10/district-hires-criminal-lawyers-jackie-pons-school-board-employees/8959449/>.

⁶ Jeff Burlew, *Legal tab mounting for Leon County Schools investigations*, TALLAHASSEE DEMOCRAT, May 14, 2015,

<http://www.tallahassee.com/story/news/politics/2015/05/13/school-legal-bills-criminal-probe-nearing/27228671/>.

⁷ Ibid.

⁸ Jeff Burlew, *Anonymous school-notebook authors revealed in notes*, TALLAHASSEE DEMOCRAT, April 18, 2015,

<http://www.tallahassee.com/story/news/politics/2015/04/17/notes-point-hanna-hildebrandt-sources-anonymous-leon-schools-notebook/25935069/>.

⁹ Chris Gros, *District Lawyer Cost More Than \$140,000*, WCTV.tv, June 25, 2015,

[https://www.google.com/search?q=district+lawyer+cost+more+than+\\$140,000+leon&rls=com.microsoft:en-US:IE-Address&ie=UTF-8&oe=UTF-8&sourceid=ie7&gws_rd=ssl](https://www.google.com/search?q=district+lawyer+cost+more+than+$140,000+leon&rls=com.microsoft:en-US:IE-Address&ie=UTF-8&oe=UTF-8&sourceid=ie7&gws_rd=ssl).

¹⁰ Jeff Burlew, *Anonymous school-notebook authors revealed in notes*, TALLAHASSEE DEMOCRAT, April 18, 2015,

<http://www.tallahassee.com/story/news/politics/2015/04/17/notes-point-hanna-hildebrandt-sources-anonymous-leon-schools-notebook/25935069/>.

¹¹ Ibid.



Summary

Report Number: [2015-088](#)

Report Title: **Leon County District School Board – Operational Audit**

Release Date: **01/23/2015**

Our operational audit disclosed the following:

ADMINISTRATIVE MANAGEMENT AND BOARD POLICIES

Finding No. 1: The Board could enhance its anti-fraud policy.

Finding No. 2: The District did not timely and prominently post all required budget information on its Web site.

Finding No. 3: Controls over electronic funds transfers could be enhanced.

CONSTRUCTION ADMINISTRATION

Finding No. 4: The District did not always competitively select construction management entities (CMEs) in accordance with Section 287.055, Florida Statutes.

Finding No. 5: Controls over negotiating and monitoring CME general conditions costs could be enhanced.

Finding No. 6: The District could enhance its construction administration procedures regarding selection of subcontractors.

Finding No. 7: The District could enhance its procedures to monitor verification of subcontractors' licensure status.

Finding No. 8: CME payment requests were not always reconciled to subcontractors' invoices, bids, and contracts prior to payment.

Finding No. 9: The District entered into professional architectural services contracts without following the competitive selection process prescribed in Section 287.055, Florida Statutes.

Finding No. 10: The Board had not adopted a policy prescribing the minimum insurance coverage requirements for work performed by architects and engineers.

Finding No. 11: Controls over facilities construction and maintenance activities could be enhanced.

PERSONNEL AND PAYROLL

Finding No. 12: District records did not evidence that the Board was made aware that certain employees had not met the minimum education requirements for positions to which they were promoted.

Finding No. 13: The Board had not established a documented process to identify instructional personnel entitled to differentiated pay using the factors prescribed in Section 1012.22(1)(c)4.b., Florida Statutes.

Finding No. 14: The District needed to enhance its procedures to ensure the proper reporting of the taxable value for employee's personal use of Board-owned vehicles in accordance with United States Treasury Regulations and the Internal Revenue Code.

Finding No. 15: Controls over monitoring school bus drivers could be enhanced.

Finding No. 16: The District needed to enhance its procedures to require verification of eligibility of all dependents covered by the District's health insurance plan.

PROCUREMENT

Finding No. 17: Procurement procedures could be enhanced to provide for routine review of required statements of financial interests for consideration in making procurement decisions.

Finding No. 18: Controls over contractual services and related payments could be enhanced.

RESTRICTED RESOURCES

Finding No. 19: District records did not always evidence that ad valorem tax levy proceeds were used only for authorized purposes.

Finding No. 20: The District did not allocate purchasing card program rebates generated by restricted resources to appropriate District funds.

CAPITAL ASSETS

Finding No. 21: The District could strengthen its controls over tangible personal property.

Finding No. 22: Controls over the use of Board-owned motor vehicles could be enhanced.

VIRTUAL INSTRUCTION PROGRAM

Finding No. 23: Controls over virtual instruction program (VIP) operations and related activities could be enhanced by developing and maintaining comprehensive, written VIP policies and procedures.

Finding No. 24: VIP provider contracts did not include certain necessary provisions.

Finding No. 25: District records did not evidence that timely, written notifications were provided to parents about student opportunities to participate in the District's VIP and open enrollment period dates.

Finding No. 26: District records did not evidence that all VIP providers' employees and contracted personnel were subjected to required background screenings.

INFORMATION TECHNOLOGY

Finding No. 27: Some inappropriate information technology (IT) access privileges existed.

Finding No. 28: District IT security controls related to user authentication and logging and monitoring of system activity needed improvement.

Management's response is included in the audit report as Exhibit B.



Joint Legislative Auditing Committee

November 30, 2015

Annual Report Requirement



Section 11.45(7)(h), Florida Statutes

The Auditor General shall annually compile and transmit to the President of the Senate, the Speaker of the House of Representatives, and the Legislative Auditing Committee by December 1 of each year a report that includes:

- A projected 2-year work plan identifying the audit and other accountability activities to be undertaken.
- A list of statutory and fiscal changes recommended by the Auditor General.

2015 Annual Report



**2015
AUDITOR GENERAL
ANNUAL REPORT**

November 1, 2014, Through October 31, 2015

Our 2015 Annual Report covers the period November 1, 2014, through October 31, 2015, and includes:

- Information about our Office
- Recommended statutory and fiscal changes
- Our projected 2-year Work Plan
- An overview of Audit and Accountability Activities

3

Our Vision and Mission



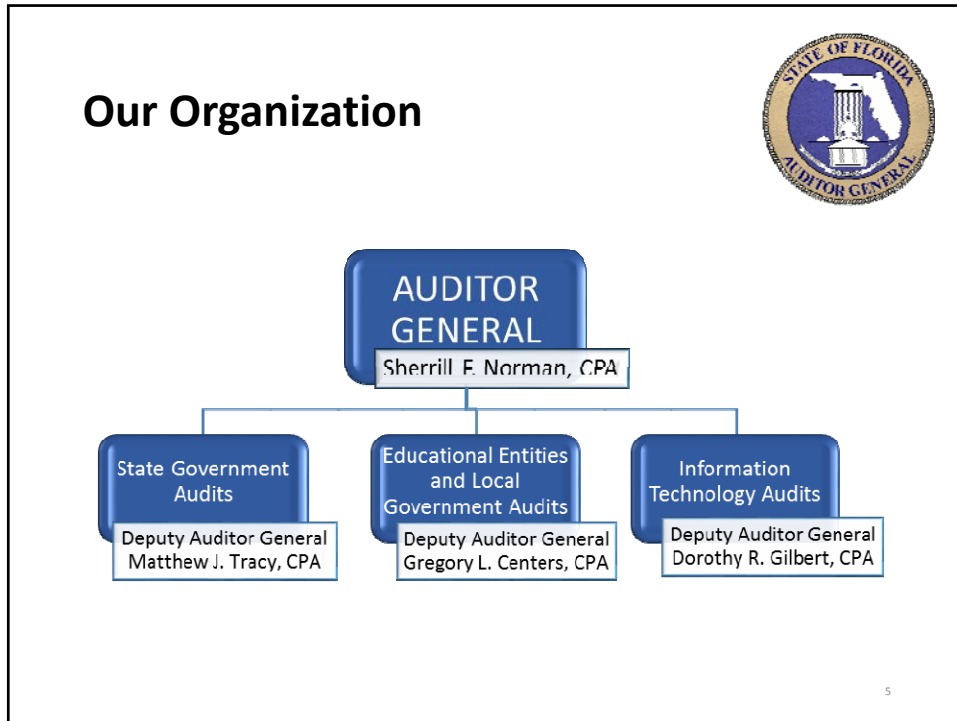
Vision


Excellence in auditing for the benefit of Floridians.

Mission

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

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- ## Our Office
- 
- ### Offices located throughout the State of Florida:
- Headquarters in Tallahassee
 - 13 other Florida cities:
 - Pensacola
 - Marianna
 - Lake City
 - Jacksonville
 - Gainesville
 - DeLand
 - Orlando
 - Tampa
 - Lakeland
 - Fort Myers
 - Port St. Lucie
 - Delray Beach
 - Doral (Miami)
- 6

Our People



As of October 31, 2015, our professional audit staff included:

- 178 Certified Public Accountants
- 18 Certified Information Systems Auditors
- 13 Certified Fraud Examiners
- 10 Certified Government Financial Managers

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Our Primary Strategic Goals



- 1** Our ***Professional Services Goal*** is to provide timely, quality information to the Legislature and Florida's citizens relative to the financial accountability and stewardship of public officials.
- 2** Our ***Professional Development Goal*** is to maximize the value of the Auditor General's work by continuing to promote quality, professionalism, and productivity.

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Engagement Standards



- **Financial Audits** are conducted in accordance with auditing standards generally accepted in the United States and *Government Auditing Standards* – Financial Audit Standards
- **Operational and Performance Audits** are conducted in accordance with *Government Auditing Standards* - Performance Audit Standards
- **Attestation Examinations** are conducted in accordance with *Government Auditing Standards* – Attestation Engagement Standards

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Engagements



During the period covered by our Annual Report, our Office issued 187 reports:

- 92 Financial-Related Audit reports (40 included Operational Audit findings)
- 57 Operational and Performance Audit reports
- 38 Other Audit and Accountability reports

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State Government Engagements



Total asset values upon which financial statement opinions were rendered	\$559 billion
Total revenues upon which financial statement opinions were rendered	\$194.6 billion
Total Federal awards expenditures for major programs audited ^a	\$31.9 billion
Total American Recovery and Reinvestment Act Federal award expenditures audited ^a	\$459 million
Total number of major Federal programs audited ^a	36

^a Includes Federal awards expenditures and major Federal awards programs of State universities and State colleges.

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State Government Engagements



Number of audit reports released	
Financial	4
Financial and Federal Awards	1
Operational ^b	19
Total number of audit reports released	24
Number of audit findings	235
Number of findings identifying opportunities for cost recovery, savings, or loss avoidance	93
Total amount identified for cost recovery, savings, or loss avoidance	\$57.3 million

^b Excludes Information Technology Operational Audits.

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State Government Engagements



Financial Statements –

- **State of Florida** – Five findings involving internal control over financial reporting.
- **Department of the Lottery** – Two findings involving IT controls and statutory requirements governing minority retailer participation.

Federal Awards –

- 36 major Federal awards programs or program clusters – Qualified opinion for 6 programs, material weaknesses in internal control over compliance for 5 programs, and other instances of noncompliance and internal control deficiencies.

Operational Audits –

- 19 audit reports on State governmental entities, addressing a broad array of programs, activities, and functions.

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State Government Engagements



Department of Children and Families (DCF) and Selected Community-Based Care (CBC) Lead Agencies – Oversight of Foster Care and Related Services:

- DCF did not always adequately conduct, document, review, and report the results of CBC monitoring.
- CBC payments related to contracts, travel, food, entertainment, mortgage interest, and salaries were not always adequately supported or made in accordance with applicable laws, rules, contract terms, and policies.
- Florida Safe Families Network access controls, data entry procedures, and data reconciliation processes needed improvement.
- CBC subcontractor monitoring efforts needed improvement.
- Improvements in CBC tangible personal property accountability were needed.

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State Government Engagements



Department of Children and Families (DCF) and Selected Behavioral Health Managing Entities (ME) – Oversight of Substance Abuse and Mental Health Services:

- DCF oversight of substance abuse and mental health services could be improved, specifically as it related to ME contract awards, the eligibility of MEs, and monitoring of MEs.
- Substance Abuse and Mental Health Information System (SAMHIS) data reliability, data reconciliations, and access controls needed improvement.
- ME salary payments for leave used and ME employee leave balances were not always supported or calculated accurately.
- MEs did not always ensure the accuracy of SAMHIS data.
- MEs did not always document that subcontractor monitoring efforts were sufficient.
- MEs did not always maintain accountability for tangible personal property.

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State Government Engagements



Department of Transportation – Commission for the Transportation Disadvantaged, Road Ranger Service Patrol Program, and Selected Administrative Activities:

- Ineffective procedures and processes, and deficiencies in monitoring, contributed to the Commission's noncompliance with governing laws and agreements, inaccurate reporting, and inadequate controls over sensitive Medicaid beneficiary information.
- Monitoring efforts for Road Ranger Program contracts were not sufficient.
- Road Ranger Program payments were not always supported by adequate documentation.
- DOT had not conducted periodic user access privilege reviews for pertinent IT systems.
- DOT's administration of and controls for professional services consultant qualifications, tangible personal property, and FLAIR access needed improvement.

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State Government Engagements



Department of Elder Affairs (DEA) – State Long-Term Care Ombudsman Program (SLTCOP) and Selected Administrative Activities:

- The Office of the State Long-Term Care Ombudsman did not always document that complaint investigations were conducted in accordance with DEA rules and SLTCOP policies and procedures.
- Complaints were not always timely investigated.
- Ombudsmen were not always subject to required background screenings and did not always complete required training.
- Pertinent system controls needed improvement.
- Travel expenditures were not always necessary and reasonable and adequately supported.
- Selected DEA IT controls and controls over the collection of social security numbers needed enhancement.

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State Government Engagements



Department of Revenue (DOR) – One-Stop Business Registration Portal (OBRP), Child Support Enforcement Customer Contact Center (CSE CCC), and Selected Administrative Activities:

- The OBRP contractor selection process did not include an evaluation of complete and comparable proposed vendor costs and was not always conducted in accordance with ITN requirements.
- Controls for tracking CSE CCC customer complaints, providing required statistical data on customer complaints, and ensuring call agent performance was monitored needed improvement.
- Employee training, IT user access privilege, and Florida Single Audit Act controls needed enhancement.

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State Government Engagements



Department of Military Affairs (DMA) – Educational Dollars for Duty Program, Administration of Selected Activities, and Prior Audit Follow-Up:

- DMA controls for the administration of the Educational Dollars for Duty Program needed improvement.
- DMA's administration of Camp Blanding Joint Training Center activities did not always ensure economic and efficient operations or compliance with applicable laws, rules, and other guidelines.
- Improvements were needed in DMA's oversight of construction management projects and related contracts.
- DMA purchasing card, Florida Single Audit Act, and motor vehicle controls needed enhancement.

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Recommended Statutory and Fiscal Changes



Policy Areas: Senate Governmental Oversight and Accountability
Senate Community Affairs
Senate Judiciary
House State Affairs
House Local and Federal Affairs
House Judiciary

Internal Controls – The Legislature should consider amending applicable Florida Statutes to establish in law the responsibility of each State and local government for the establishment and maintenance of management systems and internal controls designed to prevent and detect fraud, waste, and abuse; promote and encourage compliance with applicable laws, rules, contracts, grant agreements, and best practices; support economical and efficient operations; ensure reliability of financial records and reports; and safeguard assets.

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Local Government Engagements



Follow-Up Procedures

Okaloosa County Board of County Commissioners (BCC) and Clerk of the Circuit Court (CCC) – Of the 21 findings and recommendations contained in our report No. 2014-068, the BCC's and CCC's actions:

- Corrected 13 findings.
- Partially corrected 5 findings.
- Did not correct 2 findings.
- The BCC took no corrective action regarding 1 finding.

Okaloosa County Board of County Commissioners' Oversight of the Tourist Development Council and Use of Tourist Development Taxes and Funds Received from British Petroleum – Of the 25 findings included in our report No. 2013-085, the BCC's, CCC's, and Tourist Development Council's actions:

- Corrected 13 findings.
- Partially corrected 10 findings.
- The BCC had no occasion to correct 1 finding.
- The BCC took no corrective action regarding 1 finding.

21

Local Government Engagements



Follow-Up Procedures

City of Hollywood (City) and Hollywood Community Redevelopment Agency (CRA) – Of the 13 findings included in our report No. 2013-093, the City's and CRA's actions:

- Corrected 6 findings.
- Partially corrected 5 findings.
- Did not correct 1 finding.
- The City had no occasion to correct 1 finding.

22

Local Government Engagements



Other Audits

Florida Municipal Power Agency (FMPA) – Examples of findings from our operational audit of the FMPA included:

- FMPA's fuel hedging practices, investments in natural gas exploration and drilling, and employment of interest rate swaps were not always consistent with the industry practices of other comparable JAAs.
- FMPA's investment policy did not clearly identify the allowable investment credit ratings and investment geographic diversification requirements.
- Internal control deficiencies existed relating to personnel and payroll administration, procurement of goods and services, travel policies and procedures, and All Requirements Project contract provisions.

23

Recommended Statutory and Fiscal Changes



**Policy Areas: Senate Government Oversight
Accountability
House State Affairs**

State Financial Assistance Audits – The Legislature should consider increasing the State financial assistance expenditure threshold in Section 215.97, Florida Statutes, from \$500,000 to \$750,000 for required State single or project specific audits (consistent with changes in the Federal Single Audit thresholds).

24

Recommended Statutory and Fiscal Changes



**Policy Areas: Senate Community Affairs
House Local and Federal Affairs**

Local Government Minimum Fund Balance – The Legislature should consider requiring local governments to adopt a minimum general fund unrestricted fund balance policy or to maintain a certain level of general fund unrestricted fund balance.

25

Recommended Statutory and Fiscal Changes



**Policy Areas: Senate Community Affairs
House Local and Federal Affairs**

Local Government Transparency Requirement – The Legislature should consider amending Section 11.45(7)(i), Florida Statutes, to require notification of the President of the Senate, the Speaker of the House of Representatives, and the Department of Financial Services for all local governments that fail to comply with transparency requirements.

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Recommended Statutory and Fiscal Changes



**Policy Areas: Senate Community Affairs
House Local and Federal Affairs**

Scholarship Funding Organizations – The Legislature should consider clarifying Sections 1002.385(14)(a) and 1002.395(6)(m), Florida Statutes, to establish whether eligible nonprofit scholarship funding organizations participating in the Florida Personal Learning Scholarship Accounts and Florida Tax Credit Scholarship Programs should contract with independent CPA firms for their annual financial audits.

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Educational Entities Engagements



State Universities and State Colleges

Total asset values upon which financial statement opinions were rendered	\$30 billion
Total revenues upon which financial statement opinions were rendered	\$16.1 billion
Total Federal awards expenditures for major programs audited	\$4.4 billion

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Educational Entities Engagements



State Universities and State Colleges

Number of audit reports released	
Financial	39
Operational	10
Total number of audit reports released	49
Number of audit findings	60
Number of findings identifying opportunities for cost recovery, savings, or loss avoidance	24
Total amount identified for cost recovery, savings, or loss avoidance	\$53.5 million

29

Educational Entities Engagements



State Universities and State Colleges

Financial Statements – We issued unmodified (clean) opinions on all 12 university and 27 college financial statements.

- We cited one college for separation benefit payments made to 46 employees and totaling \$3 million that exceeded the State law threshold by \$1.8 million.

Federal Awards – University and college Federal awards expenditures were included as part of our State of Florida Single Audit.

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Educational Entities Engagements



State Universities and State Colleges

Operational Audits – We performed 3 university and 7 college operational audits, and noted control deficiencies in:

- Information technology at 9 institutions.
- Personnel and payroll administration at 8 institutions.
- Purchasing and contractual service practices at 5 institutions.

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Educational Entities Engagements



School Districts

Total asset values upon which financial statement opinions were rendered	\$15.7 billion
Total revenues upon which financial statement opinions were rendered	\$9.2 billion
Total Federal awards expenditures for major programs audited	\$452.5 million

32

Educational Entities Engagements



School Districts

Number of audit reports released	
Financial, Federal Awards, and Operational	40
Financial and Federal Awards	7
Operational	10
Total number of audit reports released	57
Number of audit findings	509
Number of findings identifying opportunities for cost recovery, savings, or loss avoidance	204
Total amount identified for cost recovery, savings, or loss avoidance	\$22.4 million

33

Educational Entities Engagements



School Districts

Financial Statements – We generally issued unmodified (clean) opinions on the 47 school district financial statements.

34

Educational Entities Engagements



School Districts

Financial Audits - Of the 47 school district financial audits, we reported material weaknesses at 2 school districts and significant deficiencies at 11 school districts:

- **Material Weaknesses:** The material weaknesses were in school internal fund collection practices and charter school financial monitoring procedures.
- **Significant Deficiencies:** The significant deficiencies were in financial reporting, bank reconciliation, and budgetary control processes, and other areas.

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Educational Entities Engagements



School Districts

Federal Awards - Of the 47 school districts' 128 major Federal programs audited:

- 5 school districts received Federal program material noncompliance/material weakness findings, resulting in qualified opinions on those programs.
- 17 school districts had significant deficiencies in internal control over compliance with Federal awards requirements.
- 10 school districts were cited in 18 findings that identified questioned costs totaling \$8.2 million.

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Educational Entities Engagements



School Districts

Operational Audits – Our operational audits of 49 school districts disclosed deficiencies in:

- Purchasing and contractual service practices at 43 school districts.
- Virtual instruction program procedures at 36 school districts.

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Educational Entities Engagements



School Districts

Operational Audits – Our operational audits of 49 school districts disclosed deficiencies in:

- Health insurance processes at 36 school districts.
- Personnel and payroll procedures at 35 school districts.
- Information technology, adult education hourly reporting, financial management and budget, cash, capital outlay expenditure, and other practices at several school districts.

38

Recommended Statutory and Fiscal Changes



Policy Areas: Senate Education House Education

- **Florida Virtual School** – The Legislature should consider revising Section 1002.37, Florida Statutes, to clarify applicability of the State Board of Education rules to the Florida Virtual School. (Audit Report No. 2014-090)
- **Florida Virtual School** – The Legislature should consider amending Section 1002.37, Florida Statutes, to specify the time frame for submittal of the Florida Virtual School's annual financial audit report.

39

Florida Education Finance Program (FEFP) FTE Students and Student Transportation



Total FTE reported upon which compliance opinions were rendered	1,115,302
Total FTE funding for entities examined	\$3.2 billion
Total Student Transportation funding for entities examined	\$209 million

40

Florida Education Finance Program (FEFP) FTE Students and Student Transportation



Number of compliance examination reports released

School Districts	29
Developmental Research Schools	1
Total number of reports released	30
Number of reports disclosing material noncompliance	28

41

Recommended Statutory and Fiscal Changes



Policy Areas: Senate Education House Education

Florida Education Finance Program – The Legislature should consider amending Section 1011.61(1)(a)2., Florida Statutes, to define “double-session school” and clarify the intended purpose of holding two sessions per day at one school location for full-time equivalent (FTE) reporting (e.g., for situations involving natural disaster or other unforeseen circumstances and only for a limited time vs. double-session as part of the school’s model).

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Information Technology Operational Audit Engagements



State Government and Related Entities – We released 12 IT operational audits during the period November 1, 2014, through October 31, 2015. These audits encompassed critical or complex systems or processes at:

- 10 State agencies.
- Northwest Regional Data Center (NWRDC) at Florida State University.
- North East Florida Educational Consortium (NEFEC).
- 2 virtual instruction program providers, Edmentum, Inc., and K12, Inc.

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Information Technology Operational Audit Engagements



Control Area	Number of Findings	Number of Entities
Business Process	29	5
Application-Level General	22	9
Security Management	11	10
Access	12	7
Contingency Planning	5	4
Configuration Management	2	2

44

Information Technology Operational Audit Engagements



Educational Entities – During the period November 1, 2014, through October 31, 2015, we evaluated IT internal controls as a part of financial and operational audits of educational entities, including school districts, State universities, and State colleges. These evaluations disclosed a significant number of internal control deficiencies and departures from best practices, including:

- Inappropriate or unnecessary access privileges.
- Inadequate review of assigned access privileges.
- Inadequate IT risk assessment.
- Inadequate security awareness training.
- User authentication issues.
- Inadequate logging and monitoring.
- Inadequate data loss prevention planning.

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Questions?



AUDITOR GENERAL

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Audit Findings Not Corrected (Three-Peats) – Materials Provided

1. **Overview:** Failure to Correct Audit Findings – Educational Entities and Local Governments

2. **Directory of Schedules for Repeat Audit Findings**

3. **Schedules: Audit Findings Not Corrected and Recommended Action:**
(Detailed analysis regarding audit findings that have been reported to the Committee)

Educational Entities:

- State College and Universities *(Note: no colleges were reported this year)*
- District School Boards
- Charter Schools

Local Governmental Entities:

- County Constitutional Officers
- Municipalities
- Special Districts

4. **Notifications** received from the Auditor General

Failure to Correct Audit Findings

Educational and Local Governmental Entities

The Joint Legislative Auditing Committee (Committee) has the authority to take action against educational and local governmental entities that fail to correct audit findings reported in three successive audits.

Statutory Authority

- **Colleges and Universities:** The Auditor General is required to notify the Committee of any financial or operational audit report prepared pursuant to s. 11.45, F.S., (*reports prepared by the Auditor General*) which indicates that a state university or Florida College System institution has failed to take full corrective action in response to a recommendation that was included in the two preceding financial or operational audit reports. Upon notification,

(1) The Committee may direct the governing body of the state university or Florida College System institution to provide a **written statement** to the Committee explaining why full corrective action has not been taken, or, if the governing body intends to take full corrective action, describing the corrective action to be taken and when it will occur.

(2) If the Committee determines that the written statement is not sufficient, the Committee may require the chair of the governing body of the state university or Florida College System institution, or the chair's designee, to **appear before the Committee**.

(3) If the Committee determines that the state university or Florida College System institution has failed to take full corrective action for which there is no justifiable reason or has failed to comply with Committee requests made pursuant to this section, the Committee shall refer the matter to the State Board of Education or the Board of Governors, as appropriate, to proceed in accordance with ss. 1008.32 or 1008.322, F.S., respectively.¹ [s. 11.45(7)(j), F.S.]

- **Other Educational Entities and Local Governmental Entities:** The Auditor General is required to notify the Committee of any audit report prepared pursuant to s. 218.39, F.S., (*reports prepared by private CPAs for audits of school districts, charter schools / charter technical career centers, counties, municipalities, and special districts*) which indicates that an audited entity has failed to take full corrective action in response to a recommendation that was included in the two preceding audit reports. Upon notification,

(1) The Committee may direct the governing body of the audited entity to provide a **written statement** to the Committee explaining why full corrective action has not been taken, or, if the governing body intends to take full corrective action, describing the corrective action to be taken and when it will occur.

(2) If the Committee determines that the written statement is not sufficient, the Committee may require the chair of the governing body of the local governmental entity or the chair's designee, the elected official of each county agency or the elected official's designee, the chair of the district school board or the chair's designee, the chair of the governing board of the charter school / charter technical career center or the chair's designee, as appropriate, to **appear before the Committee**.

(3) If the Committee determines that the audited entity has failed to take full corrective action for which there is no justifiable reason for not taking such action, or has failed to comply with Committee requests made pursuant to this section, the Committee may **proceed in accordance with s. 11.40(2), F.S.** [s. 218.39(8), F.S.]

Section 11.40(2), F.S., provides that the Committee may schedule a hearing to determine if the entity should be subject to further state action. If the Committee determines that the entity should be subject to further state action, the Committee shall:

(a) In the case of a local governmental entity or district school board, direct the Department of Revenue and the Department of Financial Services to withhold any

¹ As revised by SB 1720 (2013) (Ch. 2013-51, L.O.F.), effective July 1, 2013.

funds not pledged for bond debt service satisfaction which are payable to such entity until the entity complies with the law. The Committee shall specify the date such action shall begin, and the directive must be received by the Department of Revenue and the Department of Financial Services 30 days before the date of the distribution mandated by law. The Department of Revenue and the Department of Financial Services may implement the provisions of this paragraph.

(b) In the case of a special district, notify the Department of Economic Opportunity that the special district has failed to comply with the law. Upon receipt of notification, the Department of Economic Opportunity shall proceed pursuant to ss. 189.4044 or 189.421, F.S.

(c) In the case of a charter school or charter technical career center, notify the appropriate sponsoring entity, which may terminate the charter pursuant to ss. 1002.33 and 1002.34, F.S.

Notifications Received from the Auditor General

The Committee has received notifications from the Auditor General regarding this initiative for the past four years. The Auditor General is required by law to conduct audits of state universities, Florida College System institutions, and district school boards.² The Auditor General is required to conduct audits of county offices, municipalities, and special districts if directed by the Committee. Also, the Auditor General routinely reviews financial audits of district school boards, charter schools, and local governmental entities that are performed by private CPAs. Based on the Auditor General's review of all of these audit reports, the following is a breakdown of the entities that have failed to correct repeat audit findings for the 2010-11 fiscal year through the 2013-14 fiscal year, as reported to the Committee by November 30, 2015:

Type of Entity	Number of Entities with Repeat ³ Audit Findings During Last Four Fiscal Years (Total Number of Repeat Findings)			
	2010-11	2011-12	2012-13	2013-14
Colleges	5 (8)	1 (2)	6 (6)	0 (0)
Universities	4 (12)	1 (1)	4 (5)	2 (2)
District School Boards	33 (93)	50 (107)	43 (114)	35 (93)
Charter Schools	27 (36)	31 (38)	23 (34)	20 (21)
County Offices ⁴	90 (182)	88 (172)	84 (151)	76 (121)
Municipalities ⁵	177 (445)	161 (401)	146 (370)	122 (245)
Special Districts ⁶	155 (282)	171 (298)	154 (268)	122 (183)
Total	491 (1,058)	503 (1,019)	460 (948)	377 (665)

Recent Committee Action

Based on notifications received related to audit reports for the 2012-13 fiscal year, the Committee took action against 281 of the entities noted above during the meeting on February 16, 2015. As a result of the Committee's action, letters were sent to these entities to direct each governing body to provide a written statement regarding a total of 556 audit findings to the Committee to explain the corrective action that has occurred or is planned or to provide the reasons no corrective action is planned.

²All district school boards are required to have an annual financial audit performed. District school boards in counties with a population less than 150,000 are audited annually by the Auditor General; district school boards in larger counties are audited once every three years by the Auditor General and by a private CPA during the other years.

³ For the purpose of this document, repeat findings are those which have also been reported in the two prior audits; therefore, the auditor has reported these findings a minimum of three times in successive audits.

⁴ Separate audits are conducted of most County Constitutional Officers (Board of County Commissioners, Tax Collector, Property Appraiser, Clerk of Circuit Courts, Supervisor of Elections, and Sheriff).

⁵ There are 411 municipalities in Florida.

⁶ As of November 23, 2015, there are 1653 active special districts in Florida.

The Committee declined to take action regarding some additional findings reported for these entities and against the remaining 152 entities that were reported by the Auditor General for failing to correct audit findings reported in the 2012-13 fiscal year audit reports. These entities were smaller charter schools, district school boards, county offices, municipalities, and special districts that had previously provided a response to the Committee and it appeared that the entities had address these findings to the extent possible using existing resources.

Action Available for the Committee to Take in November 2015

The Committee may take action against the entities that were reported by the Auditor General for failing to correct audit findings that had been reported for at least the third time in the entities' 2013-14 fiscal year audit reports and for some late-filed 2012-13 fiscal year audit reports. Although the 2012-13 fiscal year audit reports were due no later than June 30, 2014, reports for some entities were filed significantly late and were not available for the Auditor General to review and report the uncorrected findings to the Committee prior to its February 2015 Committee meeting. In addition, the Committee may wish to direct Committee staff to send a letter requesting the status of uncorrected audit findings to all entities on future notification(s) from the Auditor General for late-filed audit reports for the 2013-14 fiscal year, or earlier.

Directory of Schedules for Repeat Audit Findings

A series of schedules follow that provide information related to entities with audit findings that have been reported in three successive audit reports. The schedules vary by fiscal year, type of entity, and, in some cases, whether it appears that the entity has taken all steps to correct certain audit findings using existing resources.

To assist you in locating all information related to a specific entity, the tables below list all entities included in the schedules, and indicate the schedule(s) in which their information appears.

Note: The green background used for some audit findings indicates that it appears that the entity has addressed the finding to the extent possible using existing resources.

State Universities and Colleges

<i>State University or College</i>	<i>County</i>	<i>Schedule(s)</i>
University of Central Florida	Orange	1
University of North Florida	Duval	1

District School Boards

<i>District School Board</i>	<i>Schedule(s)</i>	<i>District School Boards</i>	<i>Schedule(s)</i>
Bay	2	Liberty	2
Bradford	2	Madison	2
Citrus	2	Manatee	2
Columbia	2	Marion	2
Escambia	2	Martin	2
Franklin	2	Miami-Dade	2
Gadsden	2	Monroe	2
Glades	2	Nassau	2
Gulf	2	Palm Beach	2
Hamilton	2	Pinellas	2
Hardee	2	Putnam	2
Hillsborough	2	Seminole	2
Holmes	2	Taylor	2
Jackson	2	Union	2
Jefferson	2	Wakulla	2
Lake	2	Walton	2
Lee	2	Washington	2
Leon	2		

Charter Schools

<i>Charter School</i>	<i>County</i>	<i>Schedule(s)</i>
Academy of Environmental Science	Citrus	4
Archimedean Academy	Miami-Dade	3
Bay Haven Charter Academy Elementary School	Bay	4
Bay Haven Charter Academy Middle School	Bay	4
Byrneville Elementary School	Escambia	4
C.K. Steele – LeRoy Collins Community Center Middle School	Leon	3
Central Charter School	Broward	3
Chautauqua Learn and Serve at The Arc of Walton County	Walton	3
Crossroad Academy Charter School	Gadsden	4
Escambia Charter School	Escambia	4
Highly Inquisitive & Versatile Education Preparatory School	Miami-Dade	3
Hoggetowne Middle School	Alachua	3
Imagine Charter School at North Manatee	Manatee	3
Imagine School at North Port	Sarasota	3
North Bay Haven Charter Career Academy	Bay	4
North Bay Haven Charter (Academy) Elementary School	Bay	4
North Bay Haven Charter (Academy) Middle School	Bay	4
Oakland Avenue Charter School	Orange	3
Royal Palm Charter School	Brevard	3
Sebastian Charter Junior High	Indian River	4

Counties

County	County Office	Schedule(s)
Baker	Board of County Commissioners	6
	Clerk of the Circuit Court	6
	Property Appraiser	6
	Sheriff	5, 6
	Supervisor of Elections	6
	Tax Collector	6
Bay	Tax Collector	5
Bradford	Clerk of the Circuit Court	6
	Property Appraiser	6
Brevard	Clerk of the Circuit Court	5
Calhoun	Property Appraiser	6
	Sheriff	6
	Supervisor of Elections	6
	Tax Collector	6
Collier	Board of County Commissioners	5
Dixie	Board of County Commissioners	5, 6
	Clerk of the Circuit Court	5, 6
	Sheriff	5, 6
	Supervisor of Elections	6
Escambia	Board of County Commissioners	5
Franklin	Board of County Commissioners	6
	Clerk of the Circuit Court	6
	Property Appraiser	6
	Sheriff	6
	Supervisor of Elections	6
	Tax Collector	6
Gilchrist	Board of County Commissioners	6
	Sheriff	5, 6
Glades	Board of County Commissioners	6
	Clerk of the Circuit Court	5
Gulf	Sheriff	6
	Tax Collector	5
Hardee	Sheriff	6
	Supervisor of Elections	5
Highlands	Board of County Commissioners	5
Hillsborough	Board of County Commissioners	5
Holmes	Board of County Commissioners	6
	Clerk of the Circuit Court	6
	Property Appraiser	5, 6
	Sheriff	6
	Supervisor of Elections	6
	Tax Collector	6

County	County Office	Schedule(s)
Jackson	Board of County Commissioners	5, 6
	Property Appraiser	6
	Sheriff	6
	Tax Collector	6
Jefferson	Board of County Commissioners	5, 6
	Clerk of the Circuit Court	6
	Property Appraiser	6
	Sheriff	6
	Supervisor of Elections	6
	Tax Collector	6
Lafayette	Board of County Commissioners	5
	Clerk of the Circuit Court	5
	Property Appraiser	5
	Sheriff	5
	Supervisor of Elections	5
	Tax Collector	5
Levy	Board of County Commissioners	6
	Clerk of the Circuit Court	6
	Sheriff	6
Liberty	Clerk of the Circuit Court	5
	Sheriff	5
Madison	Board of County Commissioners	5
	Tax Collector	6
Miami-Dade	Board of County Commissioners	5
Okaloosa	Board of County Commissioners	5
	Clerk of the Circuit Court	5
Okeechobee	Board of County Commissioners	5
Putnam	Sheriff	6
Washington	Board of County Commissioners	5, 6
	Clerk of the Circuit Court	6
	Property Appraiser	6
	Sheriff	6
	Supervisor of Elections	6
	Tax Collector	6

Municipalities

<i>Municipality</i>	<i>County</i>	<i>Schedule(s)</i>
Alford, Town of	Jackson	7, 8
Altha, Town of	Calhoun	7, 8
Apalachicola, City of	Franklin	8
Arcadia, City of	DeSoto	9
Archer, City of	Alachua	7
Astatula, Town of	Lake	9
Avon Park, City of	Highlands	7
Bell, Town of	Gilchrist	8
Belleview, City of	Marion	7
Biscayne Park, Village of	Miami-Dade	7
Blountstown, City of	Calhoun	8
Bonifay, City of	Holmes	8
Bowling Green, Town of	Hardee	7
Boynton Beach, City of	Palm Beach	9
Bradenton Beach, City of	Manatee	8
Branford, Town of	Suwannee	8
Bristol, City of	Liberty	8
Bronson, City of	Levy	7, 8
Bushnell, City of	Sumter	7, 8
Callahan, Town of	Nassau	8
Callaway, City of	Bay	7
Campbellton, Town of	Jackson	8
Carrabelle, City of	Franklin	7, 8
Cedar Key, City of	Levy	8
Chattahoochee, City of	Gadsden	9, 10
Chiefland, City of	Levy	8
Clewiston, City of	Hendry	7, 8
Coleman, City of	Sumter	7, 8
Cottondale, City of	Jackson	7, 8
Cross City, Town of	Dixie	8
Dade City, City of	Pasco	7
Davenport, City of	Polk	7
Deerfield Beach, City of	Broward	7
Dundee, Town of	Polk	7
Edgewood, City of	Orange	7
Fanning Springs, City of	Gilchrist/Levy	7
Fellsmere, City of	Indian River	8
Fort Lauderdale, City of	Broward	7
Fort White, Town of	Columbia	7, 8
Glen St. Mary, Town of	Baker	8
Graceville, City of	Jackson	7, 8
Grand Ridge, Town of	Jackson	8
Greensboro, Town of	Gadsden	8
Greenville, Town of	Madison	7, 8
Greenwood, Town of	Jackson	8

<i>Municipality</i>	<i>County</i>	<i>Schedule(s)</i>
Gretna, Town of	Gadsden	7, 9
Haines City, City of	Polk	7
Hastings, Town of	St. Johns	8
Hialeah, City of	Miami-Dade	7
High Springs, City of	Alachua	7
Hilliard, Town of	Nassau	8
Horseshoe Beach, Town of	Dixie	8
Howey-in-the-Hills, Town of	Lake	8
Indialantic, City of	Brevard	7
Inglis, Town of	Levy	8
Interlachen, Town of	Putnam	8
Islamorada, Village of Islands, Village of	Monroe	9
Jacob City, City of	Jackson	8
Jay, Town of	Santa Rosa	8
Jennings, Town of	Hamilton	8
Jupiter, Town of	Palm Beach	7
LaBelle, City of	Hendry	8
Lake Butler, City of	Union	8
Lake Hamilton, Town of	Polk	7, 8
Lake Helen, City of	Volusia	7
Lake Park, Town of	Palm Beach	7
Lake Worth, City of	Palm Beach	7
Lakeland, City of	Polk	7
Lauderdale Lakes, City of	Broward	7
Lawtey, City of	Bradford	8
Live Oak, City of	Suwannee	7
Macclenny, City of	Baker	8
Madison, City of	Madison	7
Malone, Town of	Jackson	8
Mangonia Park, Town of	Palm Beach	7
Marianna, City of	Jackson	8
Mayo, Town of	Lafayette	7, 8
Medley, Town of	Miami-Dade	7, 8
Melbourne Village, Town of	Brevard	7
Mexico Beach, City of	Bay	10
Micanopy, Town of	Alachua	8
Midway, City of	Gadsden	9, 10
Milton, City of	Santa Rosa	7
Miramar, City of	Broward	7
Monticello, City of	Jefferson	8
Moore Haven, City of	Glades	8
Mulberry, City of	Polk	7
New Port Richey, City of	Pasco	7
North Bay Village, City of	Miami-Dade	7
North Miami, City of	Miami-Dade	7
North Miami Beach, City of	Miami-Dade	7
Oak Hill, City of	Volusia	7, 8

<i>Municipality</i>	<i>County</i>	<i>Schedule(s)</i>
Oakland, Town of	Orange	7
Oakland Park, City of	Broward	7
Opa-locka, City of	Miami-Dade	9
Orchid, Town of	Indian River	7, 8
Otter Creek, Town of	Levy	8
Palm Beach Shores, Town of	Palm Beach	8
Palm Coast, City of	Flagler	7
Panama City, City of	Bay	8
Parker, City of	Bay	7, 9
Paxton, City of	Walton	8
Penney Farms, Town of	Clay	8
Pierson, Town of	Volusia	7, 8
Pomona Park, Town of	Putnam	8
Ponce de Leon, Town of	Holmes	7, 8
Ponce Inlet, Town of	Volusia	7
Port Orange, City of	Volusia	7
Quincy, City of	Gadsden	7, 9
Reddick, Town of	Marion	7, 8
Sewall's Point, Town of	Martin	8
Sneads, Town of	Jackson	7, 8
Sopchoppy, City of	Wakulla	8
South Bay, City of	Palm Beach	7
Springfield, City of	Bay	9, 10
St. Cloud, City of	Osceola	7
St. Marks, City of	Wakulla	8
Sweetwater, City of	Miami-Dade	9
Trenton, City of	Gilchrist	8
Valparaiso, City of	Okaloosa	7
Vernon, City of	Washington	9, 10
Waldo, City of	Alachua	8
Wauchula, City of	Hardee	7
Wausau, Town of	Washington	8
Webster, City of	Sumter	9, 10
West Miami, City of	Miami-Dade	7
Wewahitchka, City of	Gulf	8
White Springs, Town of	Hamilton	8
Wildwood, City of	Sumter	8
Williston, City of	Levy	7
Windermere, Town of	Orange	8
Winter Haven, City of	Polk	7
Worthington Springs, Town of	Union	7
Yankeetown, Town of	Levy	8

Special Districts

<i>Special District</i>	<i>County</i>	<i>Schedule(s)</i>
Aberdeen Community Development District	St. Johns	11
Alligator Point Water Resources District	Franklin	12
Amelia Concourse Community Development District	Nassau	11
Amelia Walk Community Development District	Nassau	11
Arborwood Community Development District	Lee	11
Arlington Ridge Community Development District	Lake	11
Baker County Development Commission	Baker	11, 12
Baker County Hospital District	Baker	11, 12
Baker Fire District	Okaloosa	13, 14
Beach Mosquito Control District	Bay	12
Belmont Lakes Community Development District	Broward	13
Big Bend Water Authority	Dixie, Taylor	12
Bolles Drainage District	Hendry	12
Buckeye Park Community Development District	Manatee	11
CFM Community Development District	Lee	11
Campbellton-Graceville Hospital	Jackson	13, 14
Cedar Key Special Water and Sewer District	Levy	12
Chapel Creek Community Development District	Pasco	11
Children's Board of Hillsborough County	Hillsborough	11
Children's Services Council of Okeechobee County	Okeechobee	12
City Center Community Development District	Polk	13
City-County Public Works Authority	Glades	12
Clearwater Cay Community Development District	Pinellas	11
Concorde Estates Community Development District	Osceola	11
Connerton West Community Development District	Pasco	11
Creekside Community Development District	St. Lucie	11
The Crossings at Fleming Island Community Development District	Clay	11
Deer Run Community Development District	Flagler	11
Disston Island Conservancy District	Glades, Hendry	12
Dorcas Fire District	Okaloosa	13
Durbin Crossing Community Development District	St. Johns	11
East Naples Fire Control and Rescue District	Collier	11
Eastpoint Water and Sewer District	Franklin	11, 12, 13, 14
Emerald Coast Utility Authority	Escambia	11
Escambia Health Facilities Authority	Escambia	12
Fellsmere Water Control District	Indian River	12
Fiddler's Creek Community Development District 2	Collier	11
Flaghole Drainage District	Glades, Hendry	12
Flagler Estates Road and Water Control District	St. Johns	12
Fred R. Wilson Memorial Law Library	Seminole	12
Gladeview Water Control District	Palm Beach	12
Gramercy Farms Community Development District	Osceola	11
Hendry Soil and Water Conservation District	Hendry	12
Hendry-LaBelle Recreation Board	Hendry	11, 13

<i>Special District</i>	<i>County</i>	<i>Schedule(s)</i>
Hendry-Hilliard Water Control District	Hendry	12
Heritage Isle Community Development District	Hillsborough	11
Highland Glades Water Control District	Palm Beach	12
Highland Meadows Community Development District	Polk	11
Highlands Community Development District	Hillsborough	11
Holt Fire District	Okaloosa	11
Indian River Farms Water Control District	Indian River	12
Indigo Community Development District	Volusia	11
Lake Ashton Community Development District	Polk	11
Lake Ashton II Community Development District	Polk	11
Lakeland Downtown Development Authority	Polk	12
Lakeside Plantation Community Development District	Sarasota	11
Lee Memorial Health System	Lee	11
Leon County Educational Facilities Authority	Leon	11
Levy Soil and Water Conservation District	Levy	14
Longleaf Community Development District	Pasco	11
Madeira Community Development District	St. Johns	11
Magnolia Creek Community Development District	Walton	11
Magnolia West Community Development District	Clay	11
Marion County Law Library	Marion	12
Marshall Creek Community Development District	St. Johns	11
Meadow Pointe IV Community Development District	Pasco	11
Merritt Island Public Library System	Brevard	11
Middle Village Community Development District	Clay	11
Midtown Miami Community Development District	Miami-Dade	11
Montecito Community Development District	Brevard	11
Moore Haven Mosquito Control District	Glades	11
Municipal Service District of Ponte Vedra Beach	St. Johns	12
Naturewalk Community Development District	Walton	11
New Port – Tampa Bay Community Development District	Hillsborough	11
North Okaloosa County Fire District	Okaloosa	12
North Palm Beach Heights Water Control District	Palm Beach	11, 12
North St. Lucie River Water Control District	St. Lucie	12
Northwest Florida Transportation Corridor Authority	Bay, Escambia, Franklin, Gulf, Okaloosa, Santa Rosa, Wakulla, Walton	12, 14
Ocean City / Wright Fire Control District	Okaloosa	12
Okeechobee Soil and Water Conservation District	Okeechobee	12
Overoaks Community Development District	Osceola	11
Palatka Gas Authority	Putnam	12
Palm River Community Development District	Hillsborough	11
Parker Road Community Development District	Alachua	11
Pine Island Community Development District	Lake	11
Portofino Cove Community Development District	Lee	11
Portofino Isles Community Development District	St. Lucie	11
Portofino Landings Community Development District	St. Lucie	11

Special District	County	Schedule(s)
Portofino Vista Community Development District	Osceola	11
Quincy-Gadsden Airport Authority	Gadsden	12
Reunion East Community Development District	Osceola	11
Ritta Drainage District	Hendry, Palm Beach	12
River Bend Community Development District	Hillsborough	11
River Glen Community Development District	Nassau	11
River Place on the St. Lucie Community Development District	St. Lucie	11
Riverwood Estates Community Development District	Pasco	11
Rolling Hills Community Development District	Pasco	11
San Carlos Estates Water Control District (aka San Carlos Estates Drainage District)	Lee	12
Seminole County Port Authority	Seminole	12
Shawano Water Control District	Palm Beach	12
Six Mile Creek Community Development District	St. Johns	11
South Bay Community Development District	Hillsborough	11, 13
South Dade Soil and Water Conservation District	Miami-Dade	13
South Fork East Community Development District	Hillsborough	13
South Seminole and North Orange County Wastewater Transmission Authority	Orange, Seminole	12
Southern Hills Plantation I Community Development District	Hernando	11
Spring Ridge Community Development District	Hernando	11
Sterling Hill Community Development District	Hernando	11
St. Augustine Port, Waterway and Beach District	St. Johns	12
Sugarland Drainage District	Glades, Hendry	12
Sun'n Lake of Sebring Improvement District	Highlands	11
Suwannee Water and Sewer District	Dixie	11, 12
Taylor Coastal Water and Sewer District	Taylor	12
Tern Bay Community Development District	Charlotte	11
Tindall Hammock Irrigation and Soil Conservation District	Broward	11
Trails Community Development District	Duval	11
Treeline Preserve Community Development District	Lee	11
Villa Vizcaya Community Development District	St. Lucie	11
Villages of Bloomingdale Community Development District	Hillsborough	11
Villages of Westport Community Development District	Duval	11
Waterford Estates Community Development District	Charlotte	11
Waterlefe Community Development District	Manatee	11
Waterstone Community Development District	St. Lucie	11
Westgate/Belvedere Homes Community Development District	Palm Beach	11
Westridge Community Development District	Polk	11
Westside Community Development District	Osceola	11
Withlacoochee Regional Water Supply Authority	Citrus, Hernando, Marion, Sumter	11
The Woodlands Community Development District	Sarasota	11
Wyld Palms Community Development District	Citrus	11
Zephyr Ridge Community Development District	Pasco	11

State Colleges and Universities

Failed to Take Full Corrective Action in Response to a Recommendation Included in the
2013-14 Fiscal Year Audit Report and the Two Preceding Audit Reports

Entity	Audit Finding(s)	MW or SD?	Year Last Response Received (re: fiscal year)	Summary of Entity's Most Recent Response	Recommend Requiring a Written Response This Year?
University of Central Florida	AG Report No. 2015-086 (#5 - Security Controls - User Authentication): Certain University security controls related to user authentication needed improvement. (See PDF Page 7 of 18)	N/A	N/A	N/A	Yes
University of North Florida	AG Report No. 2015-136 (#9 - Line of Credit and Cash Payments): The University provided cash resources to one of its direct-support organizations without specific legal authority, including cash advances of \$500,000 to help cover operational costs and cash payments to pay for salaries and benefits for certain personnel at the direct-support organization. While \$75,000 of the cash advances has been repaid as of 1/20/2015, a formal repayment plan for the remaining \$425,000 has not been submitted to the University's Board of Trustees for its review and approval. Although s. 1004.28(2), F.S., authorizes the University to permit use of property, facilities, and personal services to its direct-support organizations, we [Auditor General's Office] are unaware of any specific authority in Florida Statutes or Board of Governors regulations permitting the University to make loans or cash payments to a University direct-support organization. (See PDF Pages 11-12 of 25)	N/A	2015 (2012-13)	Letter: Both the direct-support organization's governing board and the University's Board of Trustees will consider and approve a repayment schedule at their upcoming June 2015 meetings. Letter states that the University's authority to dedicate funds to the payment of salaries at the direct-support organization is implied by current state law and provides some specifics. The letter further states, that, despite the forgoing, the University will not provide any cash payments to the direct-support organization or any other DSO in the future.	Yes

LEGEND:

Material Weakness (MW): a deficiency, or combination of deficiencies, in internal control such that there is reasonable possibility that one of the following will not be prevented, or detected and corrected, on a timely basis:

- a. a material misstatement of the entity's financial statements, or
- b. material noncompliance with a type of compliance requirement.

For example, a deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement on a timely basis.

The severity of the deficiency would determine whether it should be classified as a material weakness, a significant deficiency, or an additional matter.

Significant Deficiency (SD): less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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Bay	AG Report #2015-147 (<u>#2 - Electronic Funds Transfers</u>): The Board has not adopted written policies prescribing the accounting and control procedures of EFTs, contrary to s. 1010.11, F.S. In August 2014, subsequent to fiscal year-end, the Board revised its policies to include accounting and control procedures for EFTs. The auditors recommended that the District continue its efforts to enhance EFT controls by including required signatures in EFT agreements. (See PDF Pages 70-71 of 83)	N/A	2015 (2012-13)	The District is in the process of amending the Board Policy on Electronic Fund Transfers to comply with the audit recommendation.	Yes
	AG Report #2015-147 (<u>#13 - IT - Timely Deactivation of Access Privileges</u>): Timely deactivation of employee network access privileges does not always occur when employment is terminated. (See PDF Pages 77 & 80 of 83)	N/A	2015 (2012-13)	The District has implemented an automated system that now places the activation/deactivation under the control of the Human Resources department. Once access is granted/removed by this department, the information is transmitted to subordinate systems within a couple of minutes.	Yes
	AG Report #2015-147 (<u>#14 - IT - Risk Assessment</u>): Although the District has informally considered external and internal risks identified through vendor-performed network vulnerability assessments in August 2014, the District had not developed a comprehensive, written IT risk assessment that considers, in addition to network vulnerability assessments, threats and vulnerabilities at the Districtwide, system, and application levels and documents the range of risks that the District's systems and data may be subject to. (See PDF Pages 77-78 & 80 of 83)	N/A	2015 (2012-13)	The District contracts with a vendor to provide monthly reports of system vulnerability, potential breach points, and other items of interest. It is also in the process of collecting various details that will comprise the written IT Risk Assessment document with the intention to complete the process in the 2015-16 school year.	Yes
Bradford	AG Report #2015-138 (<u>#3 - Compensation and Salary Schedules</u>): The Board had not established a documented process for identifying instructional personnel entitled to differentiated pay using the factors prescribed in Florida Statutes. (See PDF Pages 60 & 65 of 68)	N/A	2015 (2012-13)	The District is in the final stages of creating the Bradford DSB Differentiated Pay Plan, which is expected to be finalized and approved at the School Board meeting on 5/11/2015. Following approval, the differentiated pay plan will be posted on the District's website.	No
	AG Report #2015-138 (<u>#6 - IT - Written Policies and Procedures</u>): The District had not developed written policies and procedures for certain IT functions. (See PDF Pages 61-62 & 65 of 68)	N/A	2015 (2012-13)	The School Board approved the Informational and Instructional Technology (IIT) Policies and Procedures manual on 4/13/2015.	No

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Bradford (continued)	AG Report #2015-138 (<u>#7 - IT - Security Awareness Training Program</u>): Although the District required employees to watch a video about e-mail usage and liability issues and to sign an agreement annually, due to staffing issues, the District had not implemented a comprehensive security awareness training program to facilitate all users' ongoing education and training on security responsibilities, including acceptable or prohibited methods for storage and transmission of data, password protection and usage, and handling of sensitive or confidential information. (See PDF Pages 62 & 65 of 68)	N/A	2015 (2012-13)	Beginning with the 2015-16 school year, District employees will participate in comprehensive training and review of the IIT Policies and Procedures manual at the beginning of each school year. The District is currently evaluating security awareness training options that could possibly be provided at low cost through a third party entity. The District is also planning to use tools and resources within the new FOCUS ERP product to assist in disseminating up-to-date information and training videos.	Yes
	AG Report #2015-138 (<u>#8 - IT - Disaster Recovery Plan</u>): The IT disaster recovery plan should be enhanced to ensure that it contains necessary procedures for minimizing and containing damage, restoring telecommunications capability, resuming the operation of critical systems, and minimizing the disruption to operations in the event of a disaster. (See PDF Pages 62-63 & 65 of 68)	N/A	2015 (2012-13)	The Disaster Recovery Plan is a component now in place within the IIT Policies and Procedures manual. (Resolved 4/13/2015)	No
	AG Report #2015-138 (<u>#9 - IT - Security Incident Response Plan</u>): The District had not developed a written IT security incident response plan. (See PDF Pages 63 & 65 of 68)	N/A	2015 (2012-13)	The Security Incident Plan is a component now in place within the IIT Policies and Procedures manual. (Resolved 4/13/2015)	No
	AG Report #2015-138 (<u>#10 - IT - Data Classification and Application Access Authorization</u>): The District had not maintained access authorization documentation or classified IT data documentation by sensitivity or level of significance. (See PDF Pages 63-65 of 68)	N/A	2015 (2012-13)	Classification of data can now be found in the IIT Policies and Procedures manual. An inventory of access of each position/employee will be maintained and monitored. Administrators are required to submit a request accompanied by rationale to expand or reduce access areas of data to specified personnel. (Resolved 4/13/2015)	No
	AG Report #2015-138 (<u>#11 - IT - Program Change Controls</u>): The District has not developed written program change control procedures that documented the IT program change process and has not restrict programming personnel from accessing or updating production programs and data. (See PDF Pages 64-65 of 68)	N/A	2015 (2012-13)	The District is currently in a period of transition from using TERMS/AS400 data management to the FOCUS system for data management districtwide. An appendix dedicated to the FOCUS Program Change Controls is slated to be added as an addendum to the IIT Policies and Procedures at the 5/11/2015 School Board meeting. Once the transition is complete, program change controls will be guided by this document.	Yes

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Bradford (continued)	AG Report #2015-138 (#12 - IT - Security Controls - Logging and Monitoring of System Activity and User Authentication): Certain District security controls related to logging and monitoring of system activity and user authentication needed improvement. (See PDF Pages 64-65 of 68)	N/A	2015 (2012-13)	Letter: Currently the District internally pulls information of logging and monitoring of system activity to a dedicated server housed at the District's IT Office. The District is currently in a period of transition from using TERMS/AS400 data management to the FOCUS system for data management districtwide. Moving forward, following full transition to FOCUS, student, user, and system audit trails and logs will be tracked externally through FOCUS system/servers. An appendix dedicated to the FOCUS Security Controls is slated to be added as an addendum to the IIT Policies and Procedures at the 5/11/2015 School Board meeting. Once the transition is complete, applicable program security controls will also be guided by this document.	Yes
Citrus	AG Report #2015-149 (#13 - IT - Security Controls - Application and Network Security) Certain District IT security controls related to user application and network security needed improvement to ensure the continued confidentiality, integrity, and availability of District data and IT resources. (See PDF Page 77 of 82)	N/A	N/A	N/A	Yes
Columbia	AG Report #2015-067 (#5 - IT - Security Controls - User Authentication, Data Loss Prevention, and Logging and Monitoring of System Activity): Certain District IT security controls related to user authentication, data loss prevention, and logging and monitoring of system activity needed improvement. (See PDF Pages 67 & 70 of 73)	N/A	2015 (2012-13)	The FY 2013-14 audit report does not include the portion relating to User Authentication. As of February 1, 2015, the remaining portion of the audit finding has also been resolved. The District converted the student database to FOCUS and the business and human resources to Skyward during the FY 2014-15, which offer superior logging of system activity for District staff to monitor	No

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Escambia	AG Report #2015-075 (#23 - IT - Access Privileges): Review of selected access privileges to the finance and HR applications disclosed access privileges that were unnecessary or that permitted certain District employees to perform incompatible duties. The District should improve its review of employee access privileges, including systemwide access privileges within the finance and HR applications, and timely remove or adjust any inappropriate or unnecessary access detected. (See PDF Pages 17-18 of 36)	N/A	N/A	N/A	Yes
	AG Report #2015-075 (#24 - IT - Security Controls - User Authentication and Monitoring of System Activity): Certain District security controls related to user authentication and monitoring of system activity needed improvement to ensure the continued confidentiality, integrity, and availability of District data and IT resources. (See PDF Pages 18-19 of 36)	N/A	N/A	N/A	Yes
	AG Report #2015-075 (#26 - Security Awareness Training Program): Although the District informed new employees of acceptable security practices during orientation and required employees to sign a yearly acknowledgment of the District's security policies, the District had not developed a comprehensive IT security awareness training program to facilitate all employees' ongoing education and training on security responsibilities, including acceptable or prohibited methods for storage and transmission of data, password protection and usage, and handling of sensitive or confidential information. (See PDF Pages 19-20 of 36)	N/A	N/A	N/A	Yes
Franklin	AG Report #2015-152 (#1 - Compensation and Salary Schedules): The Board has not established a documented process to identify instructional personnel entitled to differentiated pay using the factors prescribed in Florida Statutes. (See PDF Pages 59 & 65 of 68)	N/A	2015 (2012-13)	The School Board approved a differentiated pay plan in August 2014 (attached to the letter). The District will present to the union a differentiated pay plan model from another school district that meets the state requirements. The District anticipates a restructured differentiated pay plan to be in place by June 30, 2015.	Yes

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Franklin (continued)	AG Report #2015-152 (<u>#7 - IT - Timely Deactivation of Access Privileges</u>): Access privileges were not always timely deactivated for employees on extended leave or who had been reassigned, because District personnel did not perform periodic reviews of assigned access privileges. The District should continue its efforts to ensure timely deactivation of security software access privileges of former or reassigned employees. (See PDF Pages 63 & 65 of 68)	N/A	N/A	N/A	Yes
Gadsden	AG Report #2015-164 (<u>#1 - Financial Reporting</u>): The District should improve its financial reporting procedures to ensure that financial statement account balances and transactions are properly reported. (See PDF Pages 61 & 67 of 72)	SD	N/A	N/A	Yes
	AG Report #2015-164 (<u>#5 - Adult General Education Classes</u>): The District should strengthen controls to ensure accurate reporting of instructional contact hours for adult general education classes to the Florida Department of Education. Also, the extent of adult general education hours misreported should be determined, and the Florida Department of Education should be contacted for proper resolution. (See PDF Pages 64 & 67 of 72)	N/A	2015 (2012-13)	The District made attempts to strengthen its controls and work diligently to ensure the accuracy of data reported, as well as send staff to District and State data meetings in our efforts to correct this repeat audit finding. The District also reached out to the FDOE for technical support and training of staff during FY 2013-14. However, the changes made were not sufficient to fully correct this finding as of June 30, 2014.	Yes
Glades	AG Report #2015-167 (<u>#7 - IT - Access Privileges</u>): The District had not developed procedures for, or performed a review of, access privileges for employees and contractors granted end-user access within the District's finance and human resources application. (See PDF Pages 61-62 & 64 of 69)	N/A	2015 (2012-13)	Since Glades is a small school district and does not have the expertise to satisfy all of the technology policy and procedure requirements noted, the School Board contracted with a policy and procedure updating service company to assist with the process to satisfy the audit findings. The District is very close to completing the policy updating, but is not quite to the point of making final approval for Board adoption. An action item to contract for services with a firm to address these audit findings is anticipated to be on the 5/14/2015 meeting agenda. The District fully expects that these audit findings will be found in compliance during the next audit.	Yes

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Glades (continued)	AG Report #2015-167 (<u>#8 - IT - Disaster Recovery Plan</u>): The District did not have a written disaster recovery plan. A detailed disaster recovery plan should identify the District's critical data, processes, and applications; provide for back-up of critical data; and detail procedures for recovery. (See PDF Pages 62 & 64 of 69)	N/A	2015 (2012-13)	See response for finding #7 above.	Yes
	AG Report #2015-167 (<u>#9 - IT - Written Policies and Procedures</u>): The District had written policies that regulated the use of its network and its e-mail system; however, the District lacked written policies and procedures for authorizing and assigning user identifications and associated access privileges and ensuring the timely deactivation of access privileges. (See PDF Pages 62-63 & 64 of 69)	N/A	2015 (2012-13)	See response for finding #7 above.	Yes
	AG Report #2015-167 (<u>#10 - IT - Security Controls - User Authentication and Workstation Controls, Data Loss Prevention, and Logging and Monitoring of System Activity</u>): Certain District security controls related to user authentication and workstation controls, data loss prevention, and logging and monitoring of system activity needed improvement. (See PDF Pages 63-64 of 69)	N/A	2015 (2012-13)	See response for finding #7 above.	Yes
Gulf	AG Report No. 2015-078 (<u>#3 - Compensation and Salary Schedules</u>): The Board has not established a documented process to identify instructional personnel entitled to differentiated pay using the factors prescribed in Florida Statutes. (See PDF Pages 54 & 57 of 60)	N/A	2015 (2012-13)	Describes established process and states that the established process (enclosed in letter) addresses all of the required factors. The portion addressing level of job performance difficulties was negotiated on 2/11/2015 and will be placed before the Board for approval.	Yes
	AG Report No. 2015-078 (<u>#6 - Adult General Education Classes</u>): District controls over the reporting of instructional contact hours for adult general education classes to the Florida Department of Education need to be strengthened to ensure accurate reporting. Also, extent of adult general education hours misreported should be determined, and the Florida Department of Education should be contacted for proper resolution. (See PDF Pages 56-57 of 60)	N/A	2015 (2012-13)	Describes action plan to address this audit finding. The District is confident that with these procedures firmly in place accurate reporting of instructional contact hours for adult education classes will be possible.	Yes

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Hamilton	AG Report No. 2015-140 (<u>#1 - Compensation and Salary Schedules</u>): The Board has not established a documented process to identify instructional personnel entitled to differentiated pay using the factors prescribed in Florida Statutes. (See PDF Pages 53 & 56 of 59)	N/A	2015 (2012-13)	The District has completed negotiations with the Hamilton County Education Association on a Grandfathered/Placement Salary Schedule. The next round of business is to agree on performance pay factors, as well as differentiated pay factors to be included in the schedule. A meeting is scheduled for the first week of June 2015 to begin the finalization of this process. The District intends this to be the top priority in its negotiations.	Yes
	AG Report No. 2015-140 (<u>#2 - Other Postemployment Benefits</u>): Contrary to GAAP, District personnel indicated that they elected to forego the services of a certified actuary as a cost savings measure, did not obtain the required biennial actuarial valuation, and instead elected to report the liability and related note disclosures as reported in the prior three fiscal year annual financial statements. (See PDF Pages 53-54 & 56 of 59)	N/A	N/A	N/A	Yes
	AG Report No. 2015-140 (<u>#4 - IT - Security Controls - User Authentication, Data Loss Prevention, and Logging and Monitoring of Data Changes and Network Security Events</u>): Certain District IT security controls related to user authentication, data loss prevention, and logging and monitoring of data changes and network security events needed improvement. (See PDF Pages 55-56 of 59)	N/A	2015 (2012-13)	The District does not agree with this finding, because it maintains that this level of access is necessary to properly support the applications software. The District has made some policy and permission changes to strengthen critical process oversight. Additionally, the District has many compensating controls in place to detect any unauthorized use of permissions.	Yes
Hardee	AG Report No. 2015-097 (<u>#7 - IT - Risk Assessment</u>): The District had not developed a comprehensive, written IT risk assessment. (See PDF Pages 66-67 of 70)	N/A	2015 (2012-13)	In January 2015, staff developed a Comprehensive Technological Risk Assessment Plan to manage IT related risks. This plan was completed after the FY 2013-14 audit fieldwork, so the audit finding was repeated for the FY 2013-14. The District is confident that this finding will not be repeated in FY 2014-15 audit report.	No
	AG Report No. 2015-097 (<u>#8 - IT - Security Controls - Data Loss Prevention</u>): Certain District IT security controls related to data loss prevention needed improvement. (See PDF Page 67 of 70)	N/A	N/A	N/A	Yes

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Hillsborough	AG Report No. 2015-169 (#4 - Board and Insurance Committee Matters): The District did not advertise or keep minutes for insurance committee meetings, contrary to the Sunshine Law, and Board meetings minutes were not always timely approved. (See PDF Pages 90-91 & 95 of 104)	N/A	N/A	N/A	Yes
	AG Report No. 2015-169 (#9 - IT - Access Privileges): Certain unnecessary IT access privileges existed. (See PDF Pages 93 & 95 of 104)	N/A	N/A	N/A	Yes
Holmes	AG Report No. 2015-141 (#1 - Compensation and Salary Schedules): The Board has not established a documented process to identify instructional personnel entitled to differentiated pay using the factors prescribed in Florida Statutes. (See PDF Pages 64 & 69 of 71)	N/A	2015 (2012-13)	The District negotiated and adopted contract language re differentiated pay in the spring of 2014; the School Board's understanding was that this action met the statutory requirements. However, the District has been advised that it does not meet the requirements. The District bargaining team will begin negotiations in April 2015 to agree on contract language for differentiated pay that includes District-determined factors such as school demographics, critical shortage areas, and level of job performance difficulties.	Yes
Jackson	AG Report No. 2015-117 (#1 - Financial Reporting): Financial reporting procedures could be improved to ensure that financial statement account balances and transactions are properly reported. (See PDF Pages 65 & 73 of 77)	SD	2015 (2012-13)	The ARRA Economic Stimulus Debt Service Fund was not properly classified as a major fund. This error has been corrected and has not occurred again. In previous years, other reporting errors occurred, but have been corrected as staff's knowledge has grown.	Yes
Jefferson	AG Report No. 2015-179 (#1 - Financial Reporting): Financial reporting procedures could be improved to ensure that financial statement account balances and transactions are properly reported and the AFR is timely submitted to the Florida Department of Education. (See PDF Pages 60 & 70 of 78)	SD	2015 (2012-13)	Accuracy of the financial reporting has been an ongoing issue for the District. The majority of the difficulties stem from balance sheet records that have cumulatively compounded incorrect data over many years and are almost impossible to decipher in order that they can be corrected. An agreement with the auditor has been reached to commence FY 2014-15 with the balances shown in FY 2013-14 audit report and concentrate on accurately recording annual records going forward.	Yes

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Jefferson (continued)	AG Report No. 2015-179 (#2 - Bank Account Reconciliations): The CFO reconciled the June 2014 bank account balances to the cash book; however, the cash balance at 6/30/2014 in the cash book was approximately \$900,000 less than the cash balance per the general ledger, with no reason provided for the difference. Also, as of February 2015, the cash book had not been reconciled to general ledger balances for July through December 2014. As such, District personnel did not timely reconcile the bank account balances to the general ledger balances used for financial reporting purposes. (See PDF Pages 60-61 & 70 of 78)	SD	2015 (2012-13)	District personnel have reconciled the bank accounts by way of spreadsheets outside of the general ledger and identified the reasons for the ledgers being out of balance (interfund transfers, hand-written checks, and replacement checks have not been recorded). Also, at the beginning of FY 2014-15, the District reduced the number of bank accounts and also simplified and modernized the check production process. As a result, the District no longer hand writes checks which were not always entered into the general ledger.	Yes
	AG Report No. 2015-179 (#4 - Budgetary Controls): While the original budget was prepared and approved in accordance with applicable laws and rules, improvements were needed in budgetary controls and compliance to ensure that budgeted beginning fund balances are reasonable and timely amended and expenditures are limited to budgeted amounts as required by State law and rules. This may help the District in monitoring its resources and improving the financial condition of the General Fund. (See PDF Pages 62-63 & 70 of 78)	SD	N/A	N/A	Yes
	AG Report No. 2015-179 (#6 - Journal Entries): Procedures need to be enhanced to ensure that journal entries are appropriately documented and independently reviewed and approved. (See PDF Pages 63-64 & 70 of 78)	N/A	N/A	N/A	Yes
	AG Report No. 2015-179 (#7 - State Capital Outlay Appropriations): The District expended \$406,290 of certain State capital outlay appropriations that were subject to reversion to the State. (See PDF Pages 64 & 70 of 78)	N/A	N/A	N/A	Yes
	AG Report No. 2015-179 (#8 - Ad Valorem Taxes): District records did not always evidence that ad valorem tax levy proceeds were used for authorized purposes, resulting in \$44,255 of questioned costs. Procedures need to be enhanced to ensure that ad valorem tax levy proceeds are properly advertised and expended only for authorized purposes. (See PDF Pages 64-65 & 70 of 78)	N/A	N/A	N/A	Yes

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Jefferson (continued)	AG Report No. 2015-179 (#11 - Adult General Education Classes): District controls over the reporting of instructional contact hours for adult general education classes to the Florida Department of Education need to be strengthened to ensure accurate reporting. Also, extent of adult general education hours over-reported should be determined, and the Florida Department of Education should be contacted for proper resolution. (See PDF Pages 66-67 & 70 of 78)	N/A	2015 (2012-13)	New reporting procedures were introduced for FY 2013-14 and were mostly successful. Some errors were found during the FY 2013-14 audit, and procedures have been modified for FY 2014-15 in an attempt to ensure that the end result is accurate records that are error-free.	Yes
	AG Report No. 2015-179 (Federal #2014-001 - Reporting): Improvements were needed in controls over the monitoring and reporting of Federal cash balances and program expenditures to ensure that amounts reported to the Florida Department of Education (FDOE) agree with or reconcile to the District's accounting records. (See PDF Pages 68-70 of 78)	SD	2015 (2012-13)	Internal procedures were changed in relation to the drawdown of federal funds from the FDOE Cash Advance and Reporting Disbursements System (CARDS). Each drawdown of funds is supported by an internal printout detailing the expenditures by grant area, which is then attached to the CARDS printout so that funds can be matched with expenditures.	Yes
Lake	AG Report No. 2015-160 (#7 - Payroll Processing Procedures): The District needed to enhance its payroll processing controls to ensure documented supervisory review and approval of noninstructional contracted personnel work time. (See PDF Pages 84-85 & 90 of 97)	N/A	2013 (2010-11)	Indicates that steps have been and continue to be taken to address issues. Also, the District is in the process of converting to an ERP, which includes a fully automated payroll and timekeeping system - scheduled to begin roll-out in October 2013.	Yes
	AG Report No. 2015-160 (#16 - IT - Security Controls - User Authentication, Data Loss Prevention, and Logging and Monitoring of System Activity): Certain District security controls related to user authentication, data loss prevention, and logging and monitoring of system activity needed improvement. (See PDF Page 90 of 97)	N/A	N/A	N/A	Yes
Lee	AG Report No. 2015-069 (#7 - Adult General Education Classes): District controls over the reporting of instructional contact hours for adult general education classes to the Florida Department of Education need to be strengthened to ensure accurate reporting. Also, extent of adult general education hours misreported should be determined, and the Florida Department of Education should be contacted for proper resolution. (See PDF Pages 8-9 & 13 of 28)	N/A	N/A	N/A	Yes

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Lee (continued)	AG Report No. 2015-069 (#12 - IT - Timely Deactivation of Access Privileges): The network access privileges of former employees were not always timely deactivated. On 4/30/2014, the District implemented an automated process for deactivating former employees' network access privileges based on input of the termination date in the HR application. (See PDF Pages 11 & 13 of 28)	N/A	N/A	N/A	Yes
Leon	AG Report No. 2015-177 (#1 - Financial Reporting): Financial reporting procedures could be improved to ensure that financial statement account balances, transactions, and note disclosures are properly reported. (See PDF Pages 76 & 78 of 83)	SD	2015 (2012-13)	Describes in detail the new annual financial reporting review process that has been developed and will be used for compiling the FY 2014-15 financial statements to mitigate the possibility of errors.	Yes
	AG Report No. 2015-088 (#4 - Selection of Construction Management Entity): The District did not always competitively select construction management entities in accordance with s. 287.055, F.S. (See PDF Pages 7-9 & 26 of 44)	N/A	N/A	N/A	Yes
	AG Report No. 2015-088 (#28 - IT - Security Controls - User Authentication and Logging and Monitoring of System Activity): Certain District security controls related to user authentication and logging and monitoring of system activity needed improvement. (See PDF Pages 25-26 of 44)	N/A	N/A	N/A	Yes
Liberty	AG Report #2015-118 (#5 - Adult General Education Classes): The District should strengthen controls to ensure accurate reporting of instructional contact hours for adult general education classes to the Florida Department of Education. Also, the extent of adult general education hours over-reported should be determined, and the Florida Department of Education should be contacted for proper resolution. (See PDF Pages 61 & 64 of 67)	N/A	N/A	N/A	Yes
Madison	AG Report No. 2015-162 (#2 - Electronic Funds Transfers and Bank Withdrawals): The School Board should adopt written policies and procedures to address accounting and control procedures for EFTs, including the use of electronic signatures. (See PDF Pages 62 & 69 of 74)	N/A	2015 (2012-13)	While the District has updated all signature cards and instituted a dual control authorization process for EFTs, Board-approved policy and procedures have not been finalized. The District has contracted with a consulting firm to assist in reviewing and/or writing necessary policies and procedures for all areas of operation, including this area.	Yes

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<p>Madison (continued)</p>	<p>AG Report No. 2015-162 (<u>#4 - Compensation and Salary Schedules</u>): The Board has not established a documented process to identify instructional personnel entitled to differentiated pay using the factors prescribed in Florida Statutes. <i>(See PDF Pages 63 & 69 of 74)</i></p>	N/A	2015 (2012-13)	<p>The District and the Madison County Educational Assoc. (MCEA) have been working collaboratively to create an expanded differentiated pay plan. A differentiated pay plan is currently being reviewed by a special joint committee of the District and MCEA and is to be considered for vote by them on 6/9/2015 as a final recommendation to both Boards for approval. Upon agreement of both Boards, the plan will become effective with the 2015-16 school year.</p>	Yes
	<p>AG Report No. 2015-162 (<u>#10 - IT - Security Controls - Data Loss Prevention</u>): Certain District security controls related to data loss prevention needed improvement. <i>(See PDF Pages 66 & 69 of 74)</i></p>	N/A	2015 (2012-13)	<p>The District utilizes TERMS database system for all financial related needs and FOCUS student data system to process all student-related needs. Both of these systems are operated by the PAEC operation center in Chipley, FL. In conjunction with PAEC's IT administrators, the District's IT department has been working towards a Data Loss Prevention plan that will adequately address these concerns.</p>	Yes
	<p>AG Report No. 2015-162 (<u>Federal #2014-002 - Allowable Costs / Costs Principles - Documentation of Time and Effort</u>): Improvements are needed to enhance procedures to ensure required documentation is maintained to support salary and benefits charged to federal programs. <i>(See PDF Pages 68-69 of 74)</i></p>	N/A	2015 (2012-13)	<p>The specified federal grant was administered by another entity, and the District was acting as the fiscal agent for this grant, with a District-appointed liaison. The District has enhanced its documentation procedures to require that time and effort logs are submitted in a timely fashion to the District's liaison. The grant was not awarded to this entity for the 2015 school year; therefore, the District does not have any further fiscal or administrative duties related to this grant. <u>[Note from JLAC staff: The FY 2013-14 finding relates to a different federal grant.]</u></p>	Yes
<p>Manatee</p>	<p>CPA Firm FY 2013-14 (<u>#13-1 - Financial Condition</u>): . The District's unassigned fund balance for the General Fund dramatically improved during FY 2013-14, increasing from a deficit of \$8,634,431 at 6/30/2013 to a positive balance of \$10,093,347 at 6/30/2014 (3% of General Fund expenditures). A second year of monitoring is recommended to ensure a stable financial position is maintained for FY 2014-15. <i>(See PDF Page 193 of 195)</i></p>	N/A	N/A	N/A	Yes

District School Boards

Failed to Take Full Corrective Action in Response to a Recommendation Included in the
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County	Audit Finding(s)	MW or SD?	Year Last Response Received (re: fiscal year)	Summary of Entity's Most Recent Response	Recommend Requiring a Written Response This Year?
Manatee (continued)	CPA Firm FY 2013-14 (<u>#13-10 - Compensation and Salary Schedules</u>): The Board has not established a documented process to identify instructional personnel entitled to differentiated pay using the factors prescribed in Florida Statutes. Current status: Corrective action on this finding was subject to negotiations with the District's employee unions as of 6/30/2014. (See PDF Page 193 of 195)	N/A	N/A	N/A	Yes
	CPA Firm FY 2013-14 (<u>#13-14 - Background Screenings</u>): Procedures need to be enhanced to ensure that required background screenings are performed for instructional and noninstructional contractors. Current status: The District's internal auditor performed an evaluation subsequent to FY 2013-14 to provide recommendations for corrective action. (See PDF Page 194 of 195)	N/A	2015 (2012-13)	The District believes this finding will be completely remediated once the new policy has been approved by the Board. All other remediation steps have been implemented.	Yes
	CPA Firm FY 2013-14 (<u>#13-22 - Self Insurance Plan Net Position</u>): The District's self insurance plan net position improved from a deficit of \$1,712,448 at 6/30/2013 to a positive balance of \$1,053,310 at 6/30/2014. A second year of monitoring is recommended to ensure a stable financial position is maintained for FY 2014-15 and cash reserve goals are achieved. (See PDF Page 194 of 195)	N/A	N/A	N/A	Yes
	CPA Firm FY 2013-14 (<u>#13-33 - Security Controls</u>): At 6/30/2014, District administrative and IT personnel were in the process of determining how best to improve security controls and integrate those improvements with District policies and procedures. (See PDF Page 195 of 195)	N/A	N/A	N/A	Yes

District School Boards

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County	Audit Finding(s)	MW or SD?	Year Last Response Received (re: fiscal year)	Summary of Entity's Most Recent Response	Recommend Requiring a Written Response This Year?
Marion	AG Report 2015-059 (<u>Federal #2014-001 - Special Tests and Provisions - Net Cash Resources (Child Nutrition Cluster)</u>): The District has had excess net cash resources in its food service program for several years. The Florida Department of Agriculture and Consumer Services requested the District to provide a corrective action plan by 1/13/2014, which incorporates current year excess cash in the subsequent year, and the District has prepared the plan. The District needs to enhance procedures to ensure that net cash resources of its food service program are maintained within the level prescribed by Federal regulations. (See PDF Pages 139-140 of 143)	SD	2015 (2012-13)	The accumulation of these funds were the direct result of good business practices in managing costs of the food service program. The District has been in contact with representatives of the Florida Department of Agriculture and Consumer Services to ensure prudent spending of the excess funds. Due to the limitations of how the moneys can be spent, the District has created a multiyear spending plan to eliminate the excess.	Yes
Martin	AG Report No. 2015-071 (<u>#1 - Compensation and Salary Schedules</u>): Although the Board has developed a process for determining which instructional personnel are entitled to receive differentiated pay, it was not implemented as of October 2014. (See PDF Pages 4 & 8 of 16)	N/A	2015 (2012-13)	On 6/17/2014, the Board revised Policy 1410- Compensation to provide a framework for compliance with the differentiated pay law. Although the Board had developed a process for determining which instructional personnel are to receive differentiated pay, it has not been implemented, due to the current financial restraints of the District's General Operating Fund.	Yes
Miami-Dade	AG Report No. 2015-089 (<u>#4 - Annual Facility Inspections</u>): Review of inspection records for four school facilities disclosed that, while the District performed the required annual inspections, there were 358 deficiencies or facility maintenance needs that remained unresolved for two or more years after the date the facility safety inspections were performed. Subsequent to audit inquiry in April 2014, the District indicated that 89 percent of the deficiencies were corrected as of August 2014 and work orders were assigned for all remaining deficiencies. (See PDF Pages 6 & 16 of 35)	N/A	N/A	N/A	Yes

District School Boards

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County	Audit Finding(s)	MW or SD?	Year Last Response Received (re: fiscal year)	Summary of Entity's Most Recent Response	Recommend Requiring a Written Response This Year?
Miami-Dade (continued)	AG Report No. 2015-089 (<u>#10 - Monitoring of the Purchased Food Cost per Meal</u>): Procedures need to be strengthened to monitor the purchased food cost per meal among the District's schools by establishing cost parameters based on industry standards and analyzing significant differences between actual purchased food cost per meal and these parameters. Also, the causes of differences need to be documented and appropriate action taken, as necessary, to promote the efficient use of food supplies. (See PDF Pages 11-12 & 16 of 35)	N/A	N/A	N/A	Yes
	AG Report No. 2015-089 (<u>#11 - Monitoring Fuel Efficiency</u>): Improvements were needed to enhance motor vehicle fuel efficiency monitoring procedures, including the timely investigation and resolution of exceptions noted in fuel exception reports. (See PDF Pages 12 & 16 of 35)	N/A	2014 (2011-12)	Outlines the strategies implemented to address finding and states that the District's Department of Transportation will continue to search for ways to accurately monitor fuel usage by District equipment and vehicles.	Yes
	AG Report No. 2015-089 (<u>#13 - IT - Access Privileges</u>): Some inappropriate or unnecessary IT access privileges existed. Further, the District had not performed a periodic review of employee and contractor access privileges to ensure that they only had access to IT resources necessary to perform their job responsibilities. (See PDF Pages 13 & 16 of 35)	N/A	N/A	N/A	Yes
Monroe	AG Report No. 2015-105 (<u>#4 - Payroll Processing - Time Records</u>): Payroll processing procedures could be enhanced to ensure that all employee work time is appropriately documented and approved, accurately recorded, and reconciled to payroll leave records. (See PDF Pages 6 & 11 of 20)	N/A	2015 (2012-13)	On 4/28/2015, the School Board approved the implementation of a new electronic time and attendance system that will address the audit concerns. The automated process will require that employee work time is properly documented and approved prior to submission to the Payroll Department and will ensure that leave times are accurately recorded and reconciled.	No
	AG Report No. 2015-105 (<u>#5 - Capital Assets - Motor Vehicles</u>): Procedures need to be enhanced to ensure that vehicle logs for District vehicles, other than school buses, are properly maintained and reviewed. (See PDF Pages 6-7 & 11 of 20)	N/A	N/A	N/A	Yes

District School Boards

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County	Audit Finding(s)	MW or SD?	Year Last Response Received (re: fiscal year)	Summary of Entity's Most Recent Response	Recommend Requiring a Written Response This Year?
Nassau	AG Report No. 2015-153 (#5 - <u>Adult General Education Classes</u>): Improvements were needed in controls over the reporting of instructional contact hours for adult general education classes to the Florida Department of Education (FDOE). Also, the extent of adult general education hours misreported should be determined, and the FDOE should be contacted for proper resolution. (See PDF Pages 64-65 & 68 of 72)	N/A	2015 (2012-13)	District staff have been working diligently to implement procedures to ensure that reported data is accurate. Verification processes were being developed during the first semester and were fully implemented for the second survey period in 2014-15. District staff is optimistic that the procedural changes implemented will eliminate the reporting issues. Also, relating to the overreporting of hours for students who have not met the 12-hour threshold, the auditors have spoken to FDOE and clarification has been obtained that the District was correctly reporting those hours.	No
Palm Beach	AG Report No. 2015-090 (#6 - <u>Annual Facility Inspections</u>): During FY 2013-14, the District performed the required annual inspections; however, there were 529 facility deficiencies that remained unresolved from the previous fiscal years, 91 of which were classified as serious life safety hazards that remained uncorrected from 1 to 16 years. (See PDF Pages 10-11 of 24)	N/A	N/A	N/A	Yes
	AG Report No. 2015-090 (#8 - <u>Adult General Education Classes</u>): Improvements were needed in controls over the reporting of instructional contact hours for adult general education classes to the Florida Department of Education (FDOE). Also, the extent of adult general education hours misreported should be determined, and the FDOE should be contacted for proper resolution. (See PDF Pages 64-65 & 68 of 72)	N/A	N/A	N/A	Yes
Pinellas	AG Report 2015-130 (#1 - <u>Investment Controls</u>): Procedures need to be enhanced to ensure timely, documented supervisory approval of investment purchases. (See PDF Pages 72 & 86 of 94)	N/A	2015 (2012-13)	Due to the District's diligent efforts, this finding is no longer recurring.	Yes

District School Boards

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County	Audit Finding(s)	MW or SD?	Year Last Response Received (re: fiscal year)	Summary of Entity's Most Recent Response	Recommend Requiring a Written Response This Year?
Pinellas (continued)	AG Report 2015-130 (<u>#2 - Inventories - Separation of Duties</u>): Procedures need to be enhanced to provide for an appropriate separation of duties over maintenance, warehouse, and transportation department inventories to the extent practical with existing personnel. In addition, implementation of compensating controls, such as periodic review of inventory purchases and issues by personnel independent of the inventory function, need to continue to be enhanced. (See PDF Pages 72-73 & 86 of 94)	N/A	N/A	N/A	Yes
	AG Report 2015-130 (<u>#3 - Ad Valorem Taxes</u>): District records did not evidence that ad valorem tax levy proceeds were used only for authorized purposes, resulting in \$1,164,325 of questioned costs. (See PDF Pages 73-74 & 86 of 94)	N/A	N/A	N/A	Yes
	AG Report No. 2015-130 (<u>#17 - IT - Access Privileges</u>): Certain inappropriate and unnecessary IT access privileges existed. (See PDF Pages 80-81 & 86 of 94)	N/A	2015 (2012-13)	Describes detailed steps being taken to address this audit finding, including performing both a Risk Assessment and a Penetration test in May 2014; forming an IT Security Council in Fall 2014; and developing an Incident Response Plan, tracking mechanisms, and certain policies and procedures.	Yes
	AG Report No. 2015-130 (<u>#19 - IT - Security Controls - User Authentication</u>): Certain District security controls related to user authentication needed improvement. (See PDF Pages 82 & 86 of 94)	N/A	N/A	N/A	Yes
Putnam	AG Report No. 2015-163 (<u>#2 - Bank Account Reconciliations</u>): Procedures need to be enhanced to ensure bank account reconciliations are timely and properly completed, including prompt investigation and resolution of any differences. (See PDF Pages 70 & 83 of 90)	N/A	2015 (2012-13)	The District made full corrective action and all bank accounts have been up-to-date since August 2014. The finding will show up in the 2013-14 fiscal year because the completion of catching the accounts up to date was not finalized until August 2014.	No

District School Boards

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Putnam (continued)	AG Report No. 2015-163 (#3 - Electronic Funds Transfers): The District's EFT policy needs to be revised to include written procedures that prescribe the accounting and control procedures of EFTs, including the use of electronic signatures. Also, District procedures need to be enhanced to ensure appropriate separation of duties for initiating and authorizing EFTs. (See PDF Pages 70-71 & 83 of 90)	N/A	2015 (2012-13)	The District has updated its policies to require a separate initiator and approver on each EFT transaction. The bank is required to send confirmation e-mails on EFTs directly to the CFO, who then forwards them to all accounting staff. These additional compensating controls assure no untoward EFTs can be processed. The District has also established written policies and procedures prescribing the accounting and control functions for EFTs. Full corrective action has occurred; however, the procedures were not finalized before 6/30/2014.	No
	AG Report No. 2015-163 (#7 - Compensation and Salary Schedules - Differentiated Pay): The Board has not established a documented process to identify instructional personnel entitled to differentiated pay using the factors prescribed in Florida Statutes. (See PDF Pages 74-75 & 83 of 90)	N/A	2015 (2012-13)	Differentiated Pay is in the process of being corrected. Moving forward, the District will post on its website more detailed information on how to go about applying for different aspects of the differentiated pay salary schedules.	Yes
	AG Report No. 2015-163 (#10 - IT - Access Privileges): Some inappropriate IT access privileges existed. Application access, including system access, needs to be restricted to ensure that access privileges assigned enforce an appropriate separation of incompatible duties and restrict employees to only those functions necessary for their assigned job responsibilities. In addition, procedures need to be developed for periodic review of access privileges. (See PDF Pages 76 & 83 of 90)	N/A	2015 (2012-13)	The District has developed written policies and procedures for the routine monitoring of access privileges. The District routinely reviews the appropriateness of the access privileges, and review of the access privileges for all employees are now performed on a monthly basis.	Yes
	AG Report #2015-163 (#11 - IT - Timely Deactivation of Access Privileges): The District did not timely deactivate the IT access privileges of some former employees. (See PDF Pages 77 & 83 of 90)	N/A	N/A	N/A	Yes
	AG Report No. 2015-163 (#12 - IT - Data Loss Prevention): Certain District security controls related to data loss prevention needed improvement. (See PDF Pages 77 & 83 of 90)	N/A	N/A	N/A	Yes

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County	Audit Finding(s)	MW or SD?	Year Last Response Received (re: fiscal year)	Summary of Entity's Most Recent Response	Recommend Requiring a Written Response This Year?
Seminole	AG Report No. 2015-064 (<u>#10 - IT - Access Privileges</u>): Some unnecessary IT application access privileges existed. Assigned application access needs to be restricted to ensure that access privileges assigned restrict employees to only those functions necessary for their assigned job responsibilities. (See PDF Pages 9-10 of 20)	N/A	N/A	N/A	Yes
	AG Report No. 2015-064 (<u>#11 - IT - Security Controls - User Authentication</u>): Certain District security controls related to user authentication needed improvement. (See PDF Pages 9-10 of 20)	N/A	N/A	N/A	Yes
Taylor	AG Report No. 2015-135 (<u>#3 - Compensation and Salary Schedules</u>): The Board has not established a documented process to identify instructional personnel entitled to differentiated pay using the factors prescribed in Florida Statutes. (See PDF Pages 59 & 61 of 65)	N/A	2015 (2012-13)	The Board will establish a documented process for ensuring that differentiated pay of instructional personnel is appropriately identified on salary schedules, consistent with Florida Statutes.	Yes
Union	AG Report No. 2015-142 (<u>#6 - Adult General Education Classes</u>): Improvements were needed in controls over the reporting of instructional contact hours for adult general education classes to the Florida Department of Education (FDOE). Also, the extent of adult general education hours misreported should be determined, and the FDOE should be contacted for proper resolution. (See PDF Pages 59-60 & 64 of 68)	N/A	2015 (2012-13)	The District has changed its procedures for reporting the data triggering this audit finding.	Yes
Wakulla	AG Report No. 2015-131 (<u>#3 - Adult General Education Classes</u>): Controls over the reporting of instructional contract hours for adult general education classes to the Florida Department of Education (FDOE) need to be strengthened to ensure accurate reporting. Also, the extent of adult general education hours misreported should be determined, and the FDOE should be contacted for proper resolution. (See PDF Pages 62 & 65 of 68)	N/A	2015 (2012-13)	Previous errors in reporting hours for students funded by the State Adults with Disabilities Program have been corrected. Also, beginning in the current fiscal year, the District has corrected the procedure for entering withdrawal dates with six consecutive absences	Yes

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County	Audit Finding(s)	MW or SD?	Year Last Response Received (re: fiscal year)	Summary of Entity's Most Recent Response	Recommend Requiring a Written Response This Year?
Wakulla (continued)	AG Report No. 2015-131 (#6 - IT - Disaster Recovery Plan): The IT disaster recovery plan needs to be updated to include the specific processes and procedures to follow when the Northwest Regional Data Center is inoperable. The District should test the plan in a simulated exercise to ensure it includes all necessary components. (See PDF Pages 64-65 of 68)	N/A	2015 (2012-13)	A comprehensive disaster recovery plan has been implemented and tested. The definition of a disaster now includes a scenario whereby the Northwest Regional Data Center is inoperable, which involves processing financial transactions manually. A recovery plan will be created, and the District anticipates that the proper implementation and testing of this detailed plan and further review and updating of the plan will preclude further audit findings.	Yes
	AG Report No. 2015-131 (#7 - IT - Security Incident Response Plan): Improvements were needed to enhance IT security incident response procedures to provide reasonable assurance that the District will respond in an appropriate and timely manner to events that may jeopardize the confidentiality, integrity, or availability of District data and IT resources. (See PDF Page 64-65 of 68)	N/A	2015 (2012-13)	Approved IT Policies and Procedures include a section on Security Incidents. This incident plan has been implemented and currently is being updated and improved to include notification of proper law enforcement agencies of any incidents that may occur. The District will designate the appropriate personnel to perform such notification as needed.	Yes
Walton	AG Report No. 2015-148 (#6 - Ad Valorem Tax Levy Proceeds): The District duplicated maintenance salaries and benefit costs in the Capital Projects - Local Capital Improvement (LCI) Fund, resulting in \$43,505 of questioned costs. Controls need to be enhanced to ensure that ad valorem tax levy proceeds are expended only for authorized purposes. Also, the District should document to Florida Department of Education the allowability of the \$43,505 of questioned costs or restore this amount to the LCI Fund. (See PDF Pages 63-64 & 69 of 73)	N/A	N/A	N/A	Yes
Washington	AG Report No. 2015-143 (#4 - Contractual Services): Audit tests disclosed that invoices from an occupational therapy service provider did not detail hours worked and District personnel did not reconcile the proposal and sign-in, sign-out sheets to payments. Procedures need to be enhanced to ensure that documented services received and related costs are reconciled to Board-approved service provider proposals before payments are made. (See PDF Pages 72 & 78 of 81)	N/A	N/A	N/A	Yes

District School Boards

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County	Audit Finding(s)	MW or SD?	Year Last Response Received (re: fiscal year)	Summary of Entity's Most Recent Response	Recommend Requiring a Written Response This Year?
Washington (continued)	AG Report No. 2015-143 (#8 - IT - Security Incident Response Plan): The District needs to improve its written security incident response plan to include identification of the security incident response team, detailed procedures for isolating and containing specific security threats, and procedures for notifying appropriate authorities and affected parties. (See PDF Pages 76 & 78 of 81)	N/A	2015 (2012-13)	The Board approved a written security incident response plan on 3/9/2015, which was not in time to be excluded from the FY 2013-14 audit report.	Yes
	AG Report No. 2015-143 (#9 - IT - Security Controls - Data Loss Prevention and Management of Access Privileges): Certain District security controls related to data loss prevention and management of access privileges needed improvement to ensure the continued confidentiality, integrity, and availability of District data and IT resources. (See PDF Pages 76 & 78 of 81)	N/A	2015 (2012-13)	The Board approved a written data loss prevention plan on 3/9/2015, which was not in time to be excluded from the FY 2013-14 audit report.	Yes

LEGEND:

1. These audits have been conducted either by the Auditor General or by private certified public accountants, as required by Section 218.39(1), Florida Statutes.
2. **Material Weakness (MW):** a deficiency, or combination of deficiencies, in internal control such that there is reasonable possibility that one of the following will not be prevented, or detected and corrected, on a timely basis:
 - a. a material misstatement of the entity's financial statements, or
 - b. material noncompliance with a type of compliance requirement.

For example, a deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement on a timely basis.

The severity of the deficiency would determine whether it should be classified as a material weakness, a significant deficiency, or an additional matter.

3. **Significant Deficiency (SD):** less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Charter Schools

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County	Charter School	Audit Finding(s)	MW or SD?	Year Last Response Received (re: fiscal year)	Summary of Entity's Most Recent Response	Recommend Requiring a Written Response This Year?
Alachua	Hoggetowne Middle School	#2014-04 - Board Minutes: The School did not provide minutes for all the meetings for the governing board. (See PDF Page 22 of 22)	SD	N/A	N/A	No SCHOOL CLOSED ON 7/15/2014
Brevard	Royal Palm Charter School	#2012-1 - Board Governance Training: Although required by Florida law and State Board of Education rule, one governing board member did not have the required number of hours of board governance training. (See PDF Pages 37-38 of 40; also see Revised Management Letter, PDF Pages 4-5 of 6)	N/A	N/A	N/A	Yes
Broward	Central Charter School	#2011-1 - Reconcile Bank and Investment Accounts: The school does not reconcile bank and investment accounts in a timely manner. (See PDF Page 39 of 40)	MW	2015 (2012-13)	We have instituted a process to reconcile bank and investment account statements on a monthly basis and rectify any discrepancies.	Yes
		#2012-1 - General Ledger Maintenance: It was necessary for the auditors to post various journal entries to reconcile a number of accounts on the trial balance and reclassify incorrectly coded transactions. (See PDF Page 39 of 40)	MW	N/A	N/A	Yes
Leon	C.K. Steele - Leroy Collins Community Center Middle School	#2014-1 - Financial Statement Preparation: Due to the nature and size of the school, the auditors drafted the financial statements and the disclosures required by GAAP and submitted the draft to management for approval. A deficiency in internal controls exists when the financial statements and related disclosures are drafted by the auditor, unless the entity possesses an accounting department that is staffed with personnel with the requisite skills and training to perform such functions and the function was performed by the auditor as an accommodation to management. (See PDF Page 36 of 36)	SD	N/A	N/A	Yes

MW = Material Weakness (see 2. in Legend)
SD= Significant Deficiency (see 3. in Legend)

Charter Schools

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County	Charter School	Audit Finding(s)	MW or SD?	Year Last Response Received (re: fiscal year)	Summary of Entity's Most Recent Response	Recommend Requiring a Written Response This Year?
Manatee	Imagine Charter School at North Manatee	#2014-02 - Expense Reimbursements: Not all expense reports are being reviewed and approved by an authorized individual. Although it appears the Principal is reviewing the expense reports for employees, no one is reviewing and approving the Principal's expense reports. (See PDF Page 37 of 38)	N/A	N/A	N/A	
Miami-Dade	Archimedean Academy	#2008-1 - Monitor Accounts Receivable and Review Collection Policy: In past years, the amount of the accounts receivable in the 90-day and over category has increased; management should continue to monitor the accounts receivable on a timely basis. Auditor recommended that the School review its credit and collections policy to determine whether additional steps could be made to aid in collection. (See PDF Page 36 of 37)	N/A	2015 (2012-13)	In order to improve collection procedures and monitor the accounts receivable on a timely basis, the school has taken specific measures and set specific policies. Letter provides specifics regarding such.	Yes
	Highly Inquisitive & Versatile Education Preparatory School	#2012-02 - Income Tax Status: The School has not filed for exempt status under Section 501(c)3 of the Internal Revenue Code. (See PDF Pages 35-36 of 36)	N/A	N/A	N/A	Yes
Orange	Oakland Avenue Charter School	#09-02 - Finger Printing of Employees and Board Members: Although the School's charter agreement requires the School's employees and Board members to comply with the fingerprinting requirements of s. 1012.32(2)(b), F.S., the School was unable to provide documentation to determine compliance for three of the five Board members. In addition, the other two Board members were out of compliance for a majority of the school year. (See PDF Page 38 of 38)	N/A	2015 (2012-13)	This issue remains outstanding in regards to the Board Members/Town Commission being in compliance with fingerprinting. Expectations are that this will be accomplished by June 30, 2015.	Yes
Sarasota	Imagine School at North Port	#2013-1 - Contract Management: The Charter School was not monitoring contracts with various affiliated entities causing discrepancies in the amounts reported in the financial statements. In the prior year, the charter school was under billed \$84,967 for rent per the rental agreement, which had not yet been resolved and no payments have been made. (See PDF Page 35 of 37)	N/A	N/A	N/A	Yes

Charter Schools

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County	Charter School	Audit Finding(s)	MW or SD?	Year Last Response Received (re: fiscal year)	Summary of Entity's Most Recent Response	Recommend Requiring a Written Response This Year?
Walton	Chautauqua Learn and Serve at The Arc of Walton County	#2012-03 - Separation of Duties: Due to the lack of clerical staff, the director is responsible for many accounting functions, including collecting and depositing all revenue. (See PDF Pages 23-24 of 26)	MW	N/A	N/A	Yes

LEGEND:

1. These audits have been conducted by private certified public accountants, as required by Section 218.39(1), Florida Statutes.

2. **Material Weakness (MW):** a deficiency, or combination of deficiencies, in internal control such that there is reasonable possibility that one of the following will not be prevented, or detected and corrected, on a timely basis:
- a. a material misstatement of the entity's financial statements, or
 - b. material noncompliance with a type of compliance requirement.

For example, a deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement on a timely basis.

The severity of the deficiency would determine whether it should be classified as a material weakness, a significant deficiency, or an additional matter.

3. **Significant Deficiency (SD):** less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Charter Schools

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County	Charter School	Audit Finding(s)	MW or SD?	Year Last Response Received (re: fiscal year)	Summary of Entity's Most Recent Response	Recommend Requiring a Written Response This Year?
Bay	Bay Haven Charter Academy Elementary School	#14-1 - Records Management: Significant adjustments to the financial records were made in order for the financial statements to conform to generally accepted accounting principles. (See PDF Page 31 of 34)	MW	2013 (2010-11)	Management believes costs for correction would outweigh benefits of corrective action.	No
	Bay Haven Charter Academy Middle School	#14-1 - Records Management: Significant adjustments to the financial records were made in order for the financial statements to conform to generally accepted accounting principles. (See PDF Page 31 of 34)	MW	2013 (2010-11)	Management believes costs for correction would outweigh benefits of corrective action.	No
Bay	North Bay Haven Charter Career Academy	#14-1 - Records Management: Significant adjustments to the financial records were made in order for the financial statements to conform to generally accepted accounting principles. (See PDF Pages 32-33 of 35)	MW	2015 (2012-13)	Management believes the costs required to correct this would outweigh the benefits derived from implementing corrective action.	No
	North Bay Haven Charter (Academy) Elementary School	#14-1 - Records Management: Significant adjustments to the financial records were made in order for the financial statements to conform to generally accepted accounting principles. (See PDF Pages 31-32 of 34)	MW	2015 (2012-13)	Management believes the costs required to correct this would outweigh the benefits derived from implementing corrective action.	No
	North Bay Haven Charter (Academy) Middle School	#14-1 - Records Management: Significant adjustments to the financial records were made in order for the financial statements to conform to generally accepted accounting principles. (See PDF Pages 32-33 of 35)	MW	2015 (2012-13)	Management believes the costs required to correct this would outweigh the benefits derived from implementing corrective action.	No
Citrus	Academy of Environmental Science	#2013-001 - Separation of Duties: Employee who maintains accounting records also handles cash collections, cosigns checks, and reconciles bank statements. Auditor acknowledges that personnel may not always be available to permit appropriate separation, the auditor thinks it is important that the School is made aware of the condition. (See PDF Page 31 of 32)	SD	2013 (2010-11)	Insufficient funding to hire additional personnel to correct this problem.	No

Charter Schools

Failed to Take Full Corrective Action in Response to a Recommendation Included in the
2013-14 Fiscal Year Audit Report and the Two Preceding Audit Reports¹

County	Charter School	Audit Finding(s)	MW or SD?	Year Last Response Received (re: fiscal year)	Summary of Entity's Most Recent Response	Recommend Requiring a Written Response This Year?
Escambia	Byrneville Elementary School	#2014-01 - <u>Lack of Segregation of Duties</u> : The School's day-to-day administrative operations are administered by a small number of personnel. The school bookkeeper/administrative assistant generally makes deposits, signs checks, reconciles bank statements, prepares and mails cash disbursements, and posts transactions to the accounting system. (See PDF Page 30 of 34)	MW	2014 (2011-12)	Due to limited size of staff and budget, we will never be able to have proper segregation of duties. However, several steps have been implemented to mitigate the lack of segregation.	No
	Escambia Charter School	#2009-1 - <u>Segregation of Duties</u> : Small size of staff is a factor; however, management should continue to review its internal control structure and segregate duties among its staff to the greatest extent possible. Individuals outside of accounting can be used to mitigate situations where incompatible duties exist. (See PDF Page 6 of 34)	SD	2013 (2010-11)	Very small office with only two administrative positions; school utilizes services of outside CPA to perform all input data into accounting software and uses an outside agency for all employees. Duties have all been segregated to greatest extent possible without hiring another employee.	No
Gadsden	Crossroad Academy Charter School	#2014-01 - <u>Preparation of Financial Statements</u> : Management relies on the audit firm to draft the financial statements and related disclosures. (See PDF Pages 13-14 of 16)	SD	2013 (2010-11)	Fiscal Administrator prepares monthly budget to actual financial statements, which are submitted to Board each month. No cost benefit in hiring CPA solely for purpose of drafting financial statements ahead of year-end audit procedures.	No

MW = Material Weakness (see 2. in Legend)
SD = Significant Deficiency (see 3. in Legend)

Charter Schools

Failed to Take Full Corrective Action in Response to a Recommendation Included in the 2013-14 Fiscal Year Audit Report and the Two Preceding Audit Reports¹

County	Charter School	Audit Finding(s)	MW or SD?	Year Last Response Received (re: fiscal year)	Summary of Entity's Most Recent Response	Recommend Requiring a Written Response This Year?
Indian River	Sebastian Charter Junior High	#2014-1 - Separation of Duties: Inadequate segregation of duties between authorization, custody, and recordkeeping processes for assets. Auditors recognize that small size of staff limits extent to which duties can be separated and recommend that the Board of Directors continue its high degree of involvement in financial process. (See PDF Pages 27-29 of 31)	MW	2013 (2010-11)	Small organization; describes some procedures implemented to address finding; Board members have a high degree of involvement/oversight in the financial processes.	No

LEGEND:

- These audits have been conducted by private certified public accountants, as required by Section 218.39(1), Florida Statutes.
- Material Weakness (MW):** a deficiency, or combination of deficiencies, in internal control such that there is reasonable possibility that one of the following will not be prevented, or detected and corrected, on a timely basis:
 - a material misstatement of the entity's financial statements, or
 - material noncompliance with a type of compliance requirement.

For example, a deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement on a timely basis.

The severity of the deficiency would determine whether it should be classified as a material weakness, a significant deficiency, or an additional matter.
- Significant Deficiency (SD):** less severe than a material weakness, yet important enough to merit attention by those charged with governance.

**Three-Part:
Local Governmental Entities**

**Local Governmental Entities That Failed to Take Full Corrective Action in Response to a Recommendation
Included in the FY 2013-14 Fiscal Year Audit Report and the Two Preceding Audit Reports¹**

County	Constitutional Officer	Audit Finding	MW or SD?	Year Last Response Received (RE: Fiscal Year)	Summary of Entity's Most Recent Response	Recommend Requiring a Written Response this Year?
Baker County	Sheriff	2014-002 - Fixed Assets: Noncompliance with rules related to tangible personal property. The Office was unable to produce a subsidiary record for its tangible personal property and did not conduct physical inventories during the year. (See PDF Page 114 of 177)	MW	2015 (FY 2012-13)	Substantial progress has been made in updating and correcting the tangible personal property inventory. We currently have an accurate accounting of high profile items such as firearms, computers, and vehicles. As of June 2015, we have rearranged duties within our Administrative Bureau in an effort to help complete an annual inventory.	Yes
Bay County	Tax Collector	2014-1 - General Accounting Records: Certain adjustments to the financial statements reflect correction of a material misstatement not initially identified by the internal controls. (See PDF Page 282 of 310)	MW	N/A	N/A	Yes
Brevard County	Clerk of the Circuit Court	12-01 - Unclaimed Property: Several outstanding checks totaling \$3,308 from the Payroll Account, Child Support Account, and Pooled/Agency accounts that were over two years old were not reported as unclaimed property and submitted to the State. (See PDF Page 233 of 315)	N/A	N/A	N/A	Yes
Collier County	Board of County Commissioners	2012-02 - Federal Program/State Project Information: There was a lack of a process to minimize the time between disbursement and reimbursement request. This could adversely affect County cash flows, as well as result in the grantor not reimbursing the County for reimbursements requested within a reasonable time frame. FY 2013-14 Status: While improvements have been made with regard to timely reimbursement requests, one of two drawdown requests tested for the Public Transit Block Grant Program had a 500-day time lag between the payment of the earliest invoice and the related drawdown request date. (PDF Pages 207 & 212 of 391)	SD	2015 (FY 2012-13)	As of FY 2014-15, the Grants Compliance Office administrative oversight is fully implemented throughout the County as planned. Additional protocols have been implemented to monitor timeliness of draws and document circumstances a draw may not be performed within the targeted time period. All reimbursement requests for FY 2014-15 have been submitted timely.	Yes

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County	Constitutional Officer	Audit Finding	MW or SD?	Year Last Response Received (RE: Fiscal Year)	Summary of Entity's Most Recent Response	Recommend Requiring a Written Response this Year?
Dixie County	Board of County Commissioners	2014-002 - Payroll and Personnel Administration: The same individual who processes payroll has access to change pay rates. (See PDF Page 66 of 185)	SD	2015 (FY 2012-13)	County staff met with financial software vendor on June 30, 2015, and are in the process of updating the software to allow us to separate access to the payroll processing function from the master input and edit functions. The accounts payable process was corrected and not a finding in the FY 2013-14 audit.	Yes
		2014-003 - Fixed Assets: The County did not perform a physical inventory of tangible personal property. (See PDF Page 66 of 185)	SD	2015 (FY 2012-13)	County staff determined the inventory process would best be done at the beginning of the calendar year. Controls/forms will be used to monitor transfer of assets within different departments as well as assets to be declared obsolete/disposed/retired. This policy will be in place by September 30, 2015, and inventory completed January 31, 2016.	Yes
	Clerk of the Circuit Court	2014-002 - Cash: The Registry Fund has several individual balances that relate to cases that have been inactive or have been adjudicated for more than five years. Pursuant to s. 43.19, F.S., the Office should evaluate the balances and work with the Judge as to the final disposition of each case. (See PDF Page 100 of 185)	MW	2015 (FY 2012-13)	The Clerk's office has determined that most of the cases should have been closed and is working diligently with the Judge and the attorneys involved in the cases to resolve these outstanding disbursements.	Yes
		2014-003 - General Accounting Records: The Office's subsidiary ledgers for its Registry Fund, Cash Bonds Fund and the Tax Deed Fund were improved during the year but still do not reconcile to the amount of cash on deposit in the bank. (See PDF Page 100 of 185)	MW	N/A	N/A	Yes
	Sheriff	2014-002 - General Accounting Records: The bank balance of the Inmate Trust Fund is not in agreement with the accounting records by approximately \$2,100. Currently, resources of the Fund exceed known liabilities by that amount. Also, amounts due to the Board of County Commissioners are not remitted timely. (See PDF Page 126 of 185)	MW	2015 (FY 2012-13)	The Sheriff Office is in the process of eliminating the unclaimed monies left by inmates upon their release. Staff has placed an advertisement in the local newspaper and sent out letters on how to claim the money. The monies that have not been claimed by September 1, 2015, will be reverted to the Board of County Commissioners, which will clear the account.	Yes

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Escambia County	Board of County Commissioners	2014-01 - Article V Expenditures: The Board did not comply with the minimum expenditure requirements for certain expenditure categories related to county funded court-related functions. (See Part 1, PDF Page 220 & 222-223 of 232)	N/A	2015 (FY 2012-13)	Explains circumstances for not meeting the expenditure requirements for the three years of this finding.	Yes
Gilchrist County	Sheriff	2014-002 - Fixed Assets: The Office did not perform an annual physical inventory of its tangible personal property during the year. (See PDF Page 119 of 177)	SD	2015 (FY 2012-13)	A complete "over-haul" of the inventory procedure has been in progress for several months. In January 2015, the Sheriff's Office entered into a contractual agreement with Global Software for a new Public Safety Software system.	Yes
Glades County	Clerk of the Circuit Court	ML 2010-001 - Timely Remittance of Agency Transactions: The Clerk's agency fund contained balances that were not current, or, for those balances that are held for a period of time, were not supported by subsidiary schedules that are reconciled to the general ledger. (See PDF Pages 101-102 of 207)	N/A	2015 (FY 2012-13)	Staff has been and is currently working to reconcile the old account balances in order to remit funds where they need to be paid; however, we are working with limited amount of staff and time to dedicate to this project.	Yes
Gulf County	Tax Collector	14-01 - Financial Reporting: Inadequate design of internal control over the preparation of the financial statements being audited. [Note: This audit finding was reported as 2014-002] (See PDF Pages 97 & 179 of 228)	MW	N/A	N/A	Yes
Hardee County	Supervisor of Elections	2014-004 - Accrual of Vacation Time: The Supervisor and staff did not adequately review annual leave accruals to ensure annual leave was appropriately utilized and calculated. (See PDF Page 200 of 232)	N/A	2015 (FY 2012-13)	The independent CPA that the Office is currently working with, as well as the external auditors, both feel that the vacation accrual control deficiency will be cleared in FY 2014-15.	Yes
Highlands County	Board of County Commissioners	2014-005 - Grant Administration: The auditors were unable to determine if all of the participants met specific recipient selection criteria and terms under the local strategies. Several versions of the Local Housing Administrative Plan (LHAP) for program years 2010-2013 appeared to be in use during the fiscal year, and the participation contribution varied in each of them. (See PDF Pages 256-257 of 420)	N/A	N/A	N/A	Yes

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Hillsborough County	Board of County Commissioners	2014-002 - Reporting of Completed Constructed Capital Assets: Selected projects were investigated to ascertain whether or not the project was substantially complete and should have been placed in service during the current year. Of the 36 Governmental Activities projects selected, all were substantially complete and should have been placed in service and depreciated during the current year. Of the 16 Water Resource projects selected, all were substantially complete and should have been placed in service and depreciated during the current year. Of the 8 Solid Waste projects selected, 1 was substantially complete and should have been placed in service and depreciated during the current year. (See PDF Pages 462-463 of 473)	MW	N/A	N/A	Yes
Holmes County	Property Appraiser	2012-02 - Disbursement Controls: Controls over executing and recording disbursement transactions lacks optimum separation of duties by vesting significant components of the disbursement process with one person. (See PDF Pages 138-139 of 215)	MW	N/A	N/A	Yes
Jackson County	Board of County Commissioners	ML 06-02 - Payroll and Personnel Administration: The Board had not adopted written policies and procedures governing the accounting or administration of its grant programs. (See PDF Pages 86 & 166 of 297)	N/A	2015 (FY 2012-13)	County Administration has prepared and presented revised policies, which are being reviewed by County Staff and the Board of County Commissioners. We anticipate these items will be resolved and noted in the FY 2014-15 audit.	Yes
		ML 06-03 - Travel: The Board does not have a policy covering travel reimbursement when an employee with a County vehicle elects to use their personal car for trips to allow their spouse to accompany them. (See PDF Pages 86 & 166 of 297)	N/A	2015 (FY 2012-13)	County Administration has prepared and presented revised policies, which are being reviewed by County Staff and the Board of County Commissioners. We anticipate these items will be resolved and noted in the FY 2014-15 audit.	Yes
		ML 06-04 - Policy and Procedures: The Board does not have a written cell phone or internet usage policy. (See PDF Pages 86 & 166 of 297)	N/A	2015 (FY 2012-13)	County Administration has prepared and presented revised policies, which are being reviewed by County Staff and the Board of County Commissioners. We anticipate these items will be resolved and noted in the FY 2014-15 audit.	Yes

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Jefferson County	Board of County Commissioners	2012-001 - Fixed Assets: The County lacks internal controls necessary to record capital outlay items as fixed assets. (See PDF Page 70 of 210)	SD	N/A	N/A	Yes
Lafayette County	Board of County Commissioners	12-01 - Financial Statement Preparation Knowledge: Personnel's lack of knowledge and familiarity with Governmental Accounting and Financial Accounting Standards prohibits the County from being able to prepare financial statements with adequate and proper disclosures and free of material misstatements. (See PDF Page 54 of 192)	MW	N/A	N/A	Yes
	Clerk of the Circuit Court	12-01 - Financial Statement Preparation Knowledge: Personnel's lack of knowledge and familiarity with Governmental Accounting and Financial Accounting Standards prohibits the Clerk of the Circuit Courts from being able to prepare financial statements with adequate and proper disclosures and free of material misstatements. (See PDF Page 88 of 192)	MW	N/A	N/A	Yes
	Property Appraiser	12-01 - Financial Statement Preparation Knowledge: Personnel's lack of knowledge and familiarity with Governmental Accounting and Financial Accounting Standards prohibits the Property Appraiser from being able to prepare financial statements with adequate and proper disclosures and free of material misstatements. (See PDF Page 167 of 192)	MW	N/A	N/A	Yes
	Sheriff	12-01 - Financial Statement Preparation Knowledge: Personnel's lack of knowledge and familiarity with Governmental Accounting and Financial Accounting Standards prohibits the Sheriff from being able to prepare financial statements with adequate and proper disclosures and free of material misstatements. (See PDF Page 115 of 192)	MW	N/A	N/A	Yes

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County	Constitutional Officer	Audit Finding	MW or SD?	Year Last Response Received (RE: Fiscal Year)	Summary of Entity's Most Recent Response	Recommend Requiring a Written Response this Year?
Lafayette County (continued)	Supervisor of Elections	12-01 - Financial Statement Preparation Knowledge: Personnel's lack of knowledge and familiarity with Governmental Accounting and Financial Accounting Standards prohibits the Supervisor of Elections from being able to prepare financial statements with adequate and proper disclosures and free of material misstatements. (See PDF Page 191 of 192)	MW	N/A	N/A	Yes
	Tax Collector	12-01 - Financial Statement Preparation Knowledge: Personnel's lack of knowledge and familiarity with Governmental Accounting and Financial Accounting Standards prohibits the Tax Collector from being able to prepare financial statements with adequate and proper disclosures and free of material misstatements. (See PDF Page 141 of 192)	MW	N/A	N/A	Yes
Liberty County	Clerk of the Circuit Court	10-1 - Performance Measure Standards Not Achieved: The Clerk did not meet the standards established by the Clerks of Court Operations Corporation for several court/case collections. (See PDF Page 140 of 205)	N/A	2015 (FY 2012-13)	Due to the small size of the court department, we do not feel like we will ever be in complete compliance with the timeliness requirements every single quarter; doing the best we can do with limited number of staff.	Yes
	Sheriff	10-1 - Written Policies and Procedures: Written policies and procedures were not in place or were not up-to-date for personnel, purchasing, payroll, investigative funds, property, or other general operations. (See PDF Page 109 of 205)	N/A	2015 (FY 2012-13)	Currently the Sheriff's Office has general orders in place for personnel and is working on policies and procedures for purchasing, payroll, investigative funds, as well as standard operating procedures for communication, corrections, and law enforcement. Completion date is anticipated to be 10/31/15.	Yes
Madison County	Board of County Commissioners	2014-02 - Allowance for Doubtful Accounts: The lack of a formal policy can cause large fluctuations from year to year in the allowance for doubtful accounts. This can create difficulty in determining the net realizable value of accounts receivable at year-end as there is no clear and consistent history of amounts written off. (See PDF Page 84 of 173)	MW	N/A	N/A	Yes

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Miami-Dade County	Board of County Commissioners	2014-01 - Self-Insurance Fund Deficit: The County's self-insurance fund had an accumulated deficit of approximately \$70.2 million as of 9/30/2014; which increased approximately \$55 million from the previous year. The rates established were not sufficient to reimburse the costs of operating the self-insurance fund. (See PDF Page 334 of 566)	N/A	2015 (FY 2012-13)	While the deficit has increased significantly within the last two years, County funding has been sufficient to pay current year claims. We do monitor our fund balances closely and confer with our Actuary and Claims Administrators regularly. The County will explore changes in legislation to potentially lower our liability costs in the future.	Yes
		2014-02 - Self-Insurance Discount Rate: The County's discount rate, which is being used by its independent actuary, serves as a component in the computation of the self-insurance liability; however, the discount rate used by the County's actuary is not consistent with the current market risk-free rates. (See PDF Page 335 of 566)	N/A	2015 (FY 2012-13)	Management has opted to use 4.1% discount rate. The Actuary deemed our rate reasonable and comparable to those used by several other peer governmental entities. The County will continue to assess the discount rate annually after consulting with our actuary.	Yes
Okaloosa County	Board of County Commissioners	2014-5 - Year End Close - Water and Sewer Enterprise Fund: A clear and evident plan for communicating responsibilities and expectations of processing financial activity of the Water and Sewer Enterprise operation is not in place. Thoroughly documented accounting procedures and authorization practices, including steps for year-end closing, are not established in writing. (See PDF Pages 376-377 of 555)	N/A	N/A	N/A	Yes
		2014-6 - Enterprise Risk Management: The Board of County Commissioners assesses risk routinely, but the risk assessment process is not documented or formalized. (See PDF Page 377 of 555)	N/A	N/A	N/A	Yes
	Clerk of the Circuit Court	2014-4 - Enterprise Risk Management: The Clerk has not formally documented management's identification of strategic, operational and financial risks and the related monitoring of the risks identified. (See PDF Page 429 of 555)	N/A	N/A	N/A	Yes

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Okeechobee County	Board of County Commissioners	2014-001 - Revenue Recognition and Audit Adjustments: The County previously recorded certain derived tax revenues based on the month the funds were collected by the Florida Department of Revenue, rather than the month the revenue was earned. Grant revenue was recognized when funds were expended, rather than when the County was eligible to receive grant funding. (See PDF Pages 141-142 of 276)	MW	N/A	N/A	Yes
Washington County	Board of County Commissioners	BCC2010-01 - Federal - Reporting and Monitoring: The County has not uploaded electronic versions of financial statements to the REAC website as required by U.S. Department of Housing and Urban Development. [Note: Also refers to finding as #BCC10-01] (See PDF Pages 79 & 153 of 293)	SD	2015 (FY 2012-13)	Management believes that it has completed the process of implementing this recommendation. This occurred because staff had a misunderstanding as to what was required to complete the process of providing the information. Staff has worked with the auditors to address this matter.	Yes
		BCC1997-001 - Capital Assets Records: Property, equipment, and infrastructure were not recorded on the capital asset listing, and property records do not include a complete listing of buildings, land, and infrastructure owned by the County. Because of the lack of sufficient detail, the capital asset listing is unauditible. (See PDF Pages 70 & 150 of 293)	MW	2015 (FY 2012-13)	The County is currently addressing this finding, and great improvement has been made. This is a big undertaking, and a process that the County hopes to complete by FY 2014-15. Management has retained the services of a CPA and designated a staff position to assist in the completion of the inventory of fixed assets.	Yes
		BCC2003-001 - Depreciation Records: The County did not compute accumulated depreciation on purchases of capital assets prior to fiscal year ending September 30, 2003, due to the lack of capital asset records. (See PDF Pages 70-71 & 150 of 293)	SD	2015 (FY 2012-13)	Management has retained the services of a CPA and designated a staff position to assist in the completion of the inventory of fixed assets. The County expects to complete this process by FY 2014-15.	Yes
		BCC2009-003 - Accounting Transactions: Certain accounting transactions were misclassified. The items were related to non-recurring and unusual transactions. (See PDF Pages 72 & 148 of 293)	SD	2015 (FY 2012-13)	Management has engaged the services of a CPA who will work with staff and the auditors to ensure that significant nonrecurring transactions are recorded properly.	Yes

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Washington County (continued)	Board of County Commissioners (continued)	BCC2009-004 - Emergency Management Services: Accounts receivable for EMS charges were not recorded at year-end. Contractual adjustments for EMS were not recorded for part of 2009. (See PDF Pages 72 & 148 of 293)	SD	2015 (FY 2012-13)	Management will work with all County personnel involved with this function to ensure that all charges and receivables related to EMS operations are recorded properly. The County expects this comment to be appropriately addressed in the next audit.	Yes
		ML 05-01 - General Accounting Records: There are no written accounting policies and procedures. (See PDF Pages 81 & 155 of 293)	N/A	2015 (FY 2012-13)	Management will continue to work to ensure that cross training is adequate. The Clerk has retained the services of a CPA to assist staff in the development of policies and procedures. Plans are in place to develop procedures for the entire office.	Yes
		ML 05-02 - Expenditure/Expenses: Documentation of personal and/or business use of automobiles does not appear to be in compliance with Internal Revenue Service regulations. (See PDF Pages 81 & 155 of 293)	N/A	2015 (FY 2012-13)	Management has implemented procedures to ensure that correct documentation is used for vehicle usage.	Yes
		ML 05-03 - Purchasing/Contract Management: The County needs to improve its controls over credit cards issued to employees for the purchase of fuel and general items. (See PDF Pages 82 & 155 of 293)	N/A	2015 (FY 2012-13)	Management has exercised additional control by collecting all credit cards, storing them in the County Coordinator's Office. The cards are issued to employees on an as needed basis.	Yes

FOOTNOTE/LEGEND:

1. Most of these audits have been conducted by private certified public accountants, as required by Section 218.39(1), Florida Statutes.
2. **Material Weakness (MW)**: a deficiency, or combination of deficiencies, in internal control such that there is reasonable possibility that one of the following will not be prevented, or detected and corrected, on a timely basis:
 - a. a material misstatement of the entity's financial statements, or
 - b. material noncompliance with a type of compliance requirement.

For example, a deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement on a timely basis.

The severity of the deficiency would determine whether it should be classified as a material weakness, a significant deficiency, or an additional matter.

3. **Significant Deficiency (SD)**: less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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County	Constitutional Officer	Audit Finding	MW or SD?	Year Last Response Received (RE: Fiscal Year)	Summary of Entity's Most Recent Response	Recommend Requiring a Written Response this Year?
Baker County	Board of County Commissioners	2014-001 - Separation of Duties: To the extent possible, given the availability of personnel, the County should implement a system of checks and balances. Steps should be taken to separate employee duties so that no one individual has access to both physical assets and the related accounting records, or to all phases of a transaction. (See PDF Page 63 of 177)	MW	2013 (FY 2010-11)	Due to limited staff; understand the finding and will do everything we can to keep a check and balance on financial activities.	No
		2014-002 - Financial Reporting: The auditors assisted with the preparation of the financial statements and proposed journal entries. The County should consider and evaluate the costs and benefits of improving internal controls relative to the financial reporting process. (See PDF Page 63 of 177)	MW	2013 (FY 2010-11)	Due to limited staff; it is in the best interest to outsource this task to independent auditors.	No
	Clerk of the Circuit Court	2014-001 - Separation of Duties: To the extent possible, given the availability of personnel, steps should be taken to separate employee duties so that no one individual has access to both physical assets and related accounting records, or to all phases of a transaction. (See PDF Page 87 of 177)	MW	2013 (FY 2010-11)	Corrected and segregated duties to the extent possible.	No
	Property Appraiser	2014-001 - Separation of Duties: To the extent possible, given the availability of personnel, steps should be taken to separate employee duties so that no one individual has access to both physical assets and related accounting records, or to all phases of a transaction. (See PDF Page 157 of 177)	MW	2013 (FY 2010-11)	Not enough employees. Implemented compensating controls with available staff to mitigate this weakness.	No
	Sheriff	2014-001 - Separation of Duties: To the extent possible, given the availability of personnel, steps should be taken to separate employee duties so that no one individual has access to both physical assets and related accounting records, or to all phases of a transaction. (See PDF Page 114 of 177)	MW	2013 (FY 2010-11)	Limited funding and staff size. Have separated duties to extent possible.	No

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SD = Significant Deficiency (see 3. In Legend)

Prepared by the Staff of the Joint Legislative Auditing Committee
November 2015

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Baker County (continued)	Sheriff (continued)	2014-003 - Financial Reporting: The auditors assisted with the preparation of the financial statements and proposed journal entries. The Office should consider and evaluate the costs and benefits of improving internal controls relative to the financial reporting process. (See PDF Page 114 of 177)	MW	2013 (FY 2010-11)	Continuing to make improvements and hope to have corrected in the near future.	No
	Supervisor of Elections	2014-001 - Separation of Duties: To the extent possible, given the availability of personnel, steps should be taken to separate employee duties so that no one individual has access to both physical assets and related accounting records, or to all phases of a transaction. (See PDF Page 176 of 177)	MW	2013 (FY 2010-11)	Due to limited resources, have not been able to hire additional staff. Understand the finding and will do everything we can to keep a check and balance on financial activities.	No
	Tax Collector	2014-001 - Separation of Duties: To the extent possible, given the availability of personnel, steps should be taken to separate employee duties so that no one individual has access to both physical assets and related accounting records, or to all phases of a transaction. (See PDF Page 138 of 177)	MW	2013 (FY 2010-11)	Not enough employees. Implemented compensating controls with available staff to mitigate this weakness.	No
Bradford County	Clerk of the Circuit Court	2009-1 - Separation of Duties: Where feasible, the Clerk should separate incompatible duties. (See PDF Page 101 of 200)	SD	2013 (FY 2010-11)	Small county with limited staff; have asked auditors what can be done, if anything, to address finding.	No
	Property Appraiser	2009-1 - Separation of Duties: Where feasible, the Property Appraiser should separate incompatible duties. (See PDF Pages 176 of 200)	SD	2013 (FY 2010-11)	Extremely limited staff; it is not feasible to divide the financial duties.	No
Calhoun County	Property Appraiser	04-01 - Separation of Duties: The auditor recognizes that the small size of the office makes it impractical to provide total separation of incompatible duties; however, controls should be implemented to help compensate for the weakness and to provide checks and balances. (See PDF Pages 127 of 207)	SD	2013 (FY 2010-11)	The cost/benefit ratio is far too great for this office to employ more budget personnel. Have implemented some compensating controls.	No

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Calhoun County (continued)	Sheriff	04-02 - Separation of Duties: Due to a limited number of employees; the office recognizes that the cost of its internal control structure should not exceed the benefits expected to be derived and the inherent limitations of any internal control structure. (See PDF Page 155 of 207)	MW	2013 (FY 2010-11)	Small agency, limited funding. Sheriff involved in monitoring finances.	No
	Supervisor of Elections	04-01 - Separation of Duties: The auditor recognizes that the small size of the office makes it impractical to provide total separation of incompatible duties; however, controls should be implemented to help compensate for the weakness and to provide checks and balances. (See PDF Pages 178 of 207)	SD	2013 (FY 2010-11)	Invoices and checks are verified by the supervisor and asst. supervisor to ensure invoices were processed properly.	No
	Tax Collector	TC06-01 - Separation of Duties: Due to a limited number of employees; the office recognizes that the cost of its internal control structure should not exceed the benefits expected to be derived and the inherent limitations of any internal control structure. (See PDF Page 203 of 207)	SD	2013 (FY 2010-11)	Considering the number of employees, I believe we have a good segregation of duties. Tax Collector involved in day-to-day operations.	No
Dixie County	Board of County Commissioners	2014-001 - Financial Reporting: Auditor proposed material adjustments to the County's financial statements and assisted with the preparation of the County's financial statements. (See PDF Page 66 of 185)	MW	2013 (FY 2010-11)	Evaluated cost/benefit; it is in the best interest to outsource this task to independent auditors.	No
	Clerk of the Circuit Court	2014-001 - Separation of Duties: Steps should be taken to separate employee duties so that no one individual has access to both physical assets and the related accounting records, or to all phases of a transaction. (See PDF Page 100 of 185)	MW	2013 (FY 2010-11)	Small county and staff; working toward restructuring to incorporate an employee to alleviate this finding.	No
		2014-004 - Financial Reporting: It was necessary for the auditor to assist with the preparation of financial statements. (See PDF Page 100 of 185)	MW	2015 (FY 2012-13)	We have evaluated the cost vs. benefit of establishing internal controls over the preparation of financial statements in accordance to generally accepted accounting principles, and determined that it is in our best interest to outsource this task to our independent auditors.	No

MW = Material Weakness (see 2. In Legend)
SD = Significant Deficiency (see 3. In Legend)

Prepared by the Staff of the Joint Legislative Auditing Committee
November 2015

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Dixie County (continued)	Sheriff	2014-001 - Revenues/Collections: Certain employees who record cash transactions in the accounting records also have access to cash collections and perform bank reconciliations. To the extent possible, steps should be taken to separate employee duties so that no one individual has access to both physical assets and the related accounting records, or to all phases of a transaction. (See PDF Page 126 of 185)	MW	2013 (FY 2010-11)	We are unable to employ additional personnel. We have a system in place to separate employee duties to the extent possible.	No
		2014-003 - Financial Reporting: It was necessary for the auditor to propose material adjustments to the Office's financial statements and assist in the preparation of the Sheriff's financial statements. (See PDF Page 126 of 185)	MW	2013 (FY 2010-11)	No CPA in place due to financial restraints. We prepare all financial statements which are presented to the CPAs for review and recommendations.	No
	Supervisor of Elections	2014-001 - Separation of Duties: To the extent possible, steps should be taken to separate employee duties so that no one individual has access to both physical assets and the related accounting records, or to all phases of a transaction. (See PDF Page 184 of 185)	MW	2013 (FY 2010-11)	Every effort is being made to accomplish more effective internal procedures.	No
	2014-002 - Financial Reporting: Auditor proposed material adjustments to the Office's financial statements and assisted with the preparation of the Office's financial statements. (See PDF Page 184 of 185)	MW	2013 (FY 2010-11)	Investing in the resources necessary for us to implement an effective internal control system would outweigh the cost of those resources.	No	
Franklin County	Board of County Commissioners	2014-001 - Financial Reporting: Inadequate design of internal controls over the preparation of the financial statements exists. The auditors assist with the preparation of the financial statements. (See PDF Page 81 of 234)	MW	2013 (FY 2010-11)	Benefits derived from investing in the resources do not outweigh the cost of those resources.	No

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Franklin County (continued)	Clerk of the Circuit Court	2014-001 - Separation of Duties: In the absence of the ability to hire additional employees, mitigating procedures, including additional oversight with regard to certain duties, should be performed regularly. (See PDF Page 112 of 234)	MW	2013 (FY 2010-11)	Due to small number of employees, it is virtually impossible to maintain complete separation.	No
		2014-002 - Financial Reporting: Inadequate design of internal controls over the preparation of the financial statements being audited. The auditors assist with the preparation of the financial statements. (See PDF Page 112 of 234)	MW	2013 (FY 2010-11)	Benefits derived from investing in the resources do not outweigh the cost of those resources.	No
	Property Appraiser	2014-001 - Financial Reporting: Inadequate design of internal controls over the preparation of the financial statements exists. The auditors assist with the preparation of the financial statements. (See PDF Page 189 of 234)	MW	2013 (FY 2010-11)	In the near future, benefits derived from investing in the resources do not outweigh the cost of those resources.	No
	Sheriff	2014-011 - Separation of Duties: In the absence of the ability to hire additional employees, mitigating procedures, including additional oversight with regard to certain duties, should be performed regularly. (See PDF Page 141 of 234)	MW	2013 (FY 2010-11)	Due to small number of employees, it is virtually impossible to maintain complete separation.	No
		2014-02 - General Accounting Records: Significant adjustments to the financial statements were required for conformity with generally accepted accounting principles. (See PDF Page 141 of 234)	MW	2013 (FY 2010-11)	In the near future, benefits derived from investing in the resources do not outweigh the cost of those resources.	No
		2014-03 - Financial Reporting: Inadequate design of internal controls over the preparation of the financial statements exists. The auditors assist with the preparation of the financial statements. (See PDF Page 141 of 234)	MW	2013 (FY 2010-11)	In the near future, benefits derived from investing in the resources do not outweigh the cost of those resources.	No

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Franklin County (continued)	Supervisor of Elections	14-001 - Separation of Duties: In the absence of the ability to hire additional employees, mitigating procedures, including additional oversight with regard to certain duties, should be performed regularly. (See PDF Page 211 of 234)	MW	2013 (FY 2010-11)	Due to small number of employees, it is virtually impossible to maintain complete separation.	No
		14-002 - Financial Reporting: Inadequate design of internal controls over the preparation of the financial statements exists. The auditors assist with the preparation of the financial statements. (See PDF Page 211 of 234)	MW	2013 (FY 2010-11)	In the near future, benefits derived from investing in the resources do not outweigh the cost of those resources.	No
	Tax Collector	2014-001 - Separation of Duties: In the absence of the ability to hire additional employees, mitigating procedures, including additional oversight with regard to certain duties, should be performed regularly. (See PDF Page 167 of 234)	MW	2013 (FY 2010-11)	Due to small number of employees, it is virtually impossible to maintain complete separation.	No
		2014-002 - Financial Reporting: Inadequate design of internal controls over the preparation of the financial statements exists. The auditors assist with the preparation of the financial statements. (See PDF Page 167 of 234)	MW	2013 (FY 2010-11)	In the near future, benefits derived from investing in the resources do not outweigh the cost of those resources.	No
Gilchrist County	Board of County Commissioners	2014-001 - Financial Statement Findings: The Auditor assisted with the preparation of financial statements and proposed material adjustments to the financial statements in order for them to be fairly presented in conformity with generally accepted accounting principles (GAAP). (See PDF Page 66 of 177)	MW	2013 (FY 2010-11)	Gilchrist is a small governmental entity, with limited resources; we have evaluated and determined that it is in our best interest to outsource the preparation of our financial statements to the independent auditors.	No
	Sheriff	2014-001 - Separation of Duties: Whenever possible, given the availability of personnel, steps should be taken to separate employee duties so that no one individual has access to both physical assets and the related accounting records, or to all phases of a transaction. (See PDF Page 119 of 177)	MW	2013 (FY 2010-11)	Limited staff; practice separation of duties when possible.	No

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Glades County	Board of County Commissioners	2010-001 - Audit Adjustments: Audit adjustments were proposed to revise the County's financial statements at year-end. These adjustments involved the recording of accruals, reclassifications of revenues and disbursements to the proper accounts, and fund balance reclassifications. (See PDF Page 69 of 207)	MW	2014 (FY 2011-12)	The Clerk's Office implemented a Reconciliation Policy effective June 6, 2014. A policy has also been implemented that requires all journal entries to be reviewed and approved by the Finance Director or the Clerk. There are a limited number of personnel in the Finance Office; however, the Clerk's Office is diligently working to improve policies and procedures.	No
Gulf County	Sheriff	2014-001 - Separation of Duties: In the absence of the ability to hire additional employees, mitigating procedures, including additional oversight with regard to certain duties, should be performed regularly. (See PDF Page 151 of 228)	MW	2013 (FY 2010-11)	Due to limited staff and required duties, complete separation of duties not always practical; has implemented mitigating procedures to compensate.	No
Hardee County	Sheriff	2014-01 - Separation of Duties: The bookkeeper initiates, prepares and disburses checks; prepares the bank deposits and bank reconciliations; and has signature on bank accounts. [Also refers to finding as #2009-01] (See PDF Page 230 of 232)	MW	2013 (FY 2010-11)	Due to financial restraints, there are currently no plans to hire additional staff.	No
Holmes County	Board of County Commissioners	2010-01 - Financial Statement Preparation Knowledge: Auditors' assistance was necessary to prepare the financial statements including note disclosures in accordance with general accepted accounting principles. (See PDF Pages 79-80 of 215)	MW	2013 (FY 2010-11)	Budget constraints prohibit an "in-house" CPA.	No
	Clerk of the Circuit Court	2010-01 - Financial Statement Preparation Knowledge: Staff's lack of institutional experience, background, and knowledge of Governmental Accounting and Financial Accounting Standards prohibits the Office from preparing the financial statements internally, including full note disclosures, as required by those standards. (See PDF Pages 116-117 of 215)	MW	2013 (FY 2010-11)	Budget restraints prohibit employment of an "in-house" CPA.	No

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Holmes County (continued)	Property Appraiser	2010-01 - Financial Statement Preparation Knowledge: Staff's lack of institutional experience, background, and knowledge of Governmental Accounting and Financial Accounting Standards prohibits the Office from preparing the financial statements internally, including full note disclosures, as required by those standards. (See PDF Pages 137-138 of 215)	MW	2013 (FY 2010-11)	Addressing issue, but will continue to rely on external auditor.	No
	Sheriff	2010-01 - Segregation of Duties: The Chief Financial Officer's (CFO) responsibilities include accounts payable, check register review and approval, and preparation of bank account reconciliations. The CFO is not an authorized check signer. In addition, the CFO has IT rights to create vendors and general ledger access and authorization. (See PDF Pages 186-187 of 215)	MW	2013 (FY 2010-11)	Management has implemented some changes. Sheriff now reviews, approves, and signs checks, and a third party distributes the checks.	No
		2010-02 - Financial Statement Preparation Knowledge: Staff's lack of institutional experience, background, and knowledge of Governmental Accounting and Financial Accounting Standards prohibits the Office from preparing the financial statements internally, including full note disclosures, as required by those standards. (See PDF Pages 187-188 of 215)	MW	2013 (FY 2010-11)	This requirement is a financial burden.	No
	Supervisor of Elections	2010-01 - Financial Statement Preparation Knowledge: Staff's lack of institutional experience, background and knowledge of Governmental Accounting and Financial Accounting Standards prohibits the Office from preparing the financial statements internally, including full note disclosures, as required by those standards. (See PDF Pages 160-161 of 215)	MW	2013 (FY 2010-11)	Due to budget constraints, it is not feasible to have a CPA on staff.	No

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Holmes County (continued)	Tax Collector	2010-01 - Financial Statement Preparation Knowledge: Staff's lack of institutional experience, background, and knowledge of Governmental Accounting and Financial Accounting Standards prohibits the Office from preparing the financial statements internally, including full note disclosures, as required by those standards. (See PDF Pages 213-214 of 215)	MW	2013 (FY 2010-11)	Due to budgetary constraints, cannot hire additional employee or consultant.	No
Jackson County	Board of County Commissioners	ML 06-01 - Inadequate Separation of Duties: The individual responsible for the receipt of payments in the Fire and Rescue Department also is responsible for the posting of payments and charges to the accounts receivable ledger and is responsible for mailing the statements. (See PDF Pages 86 and 166 of 297)	N/A	2013 (FY 2010-11)	Due to financial pressure and lack of funding, cannot hire additional staff; have implemented compensating controls.	No
	Property Appraiser	PA 06-01 - Need for Segregation of Duties: Inadequate separation of duties between employees who have record keeping responsibility and custody of assets due to limited staff. Continued effort should be made to separate those duties as much as possible. (See PDF Page 217 of 297)	SD	2013 (FY 2010-11)	Small size of office; compensating controls have been implemented – property appraiser involved in day-to-day operations.	No
	Sheriff	SH 06-01 - Need for Segregation of Duties: Inadequate separation of accounting and administrative duties due to limited staff. At a minimum, the Sheriff should receive and review unopened bank statements each month. (See PDF Page 244 of 297)	MW	2013 (FY 2010-11)	Due to budget constraints, cannot add administrative positions; financial duties have been broken down between three employees. Describes procedures implemented to compensate.	No
	Tax Collector	TC 06-01 - Need for Segregation of Duties: Inadequate separation of duties between employees who have record keeping responsibility and custody of assets due to limited staff. Continued effort should be made to separate those duties as much as possible. (See PDF Page 292 of 297)	SD	2013 (FY 2010-11)	Due to size of office, this area will always be of concern. Measures have been implemented to help compensate.	No

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Jefferson County	Board of County Commissioners	2008-001 - Segregation of Duties: Inadequate separation of certain accounting and administrative duties due to limited staff. At a minimum, the Constitutional Officers should receive and review the unopened bank statements each month, indicating on the statement evidence of the review. (See PDF Page 71 of 210)	SD	2013 (FY 2010-11)	Due to financial pressure and lack of funding, cost/benefit ratio is far too great to employ more personnel; have implemented compensating controls.	No
		2008-002 - Preparation of GAAP-Based Financial Statements: No individual on staff has the accounting education and experience to prepare financial statements in accordance with generally accepted accounting principles (GAAP). County must hire a firm; auditor understands the cost-benefit ratio of hiring appropriate staff is not practical. (See PDF Page 71 of 210)	SD	2013 (FY 2010-11)	The cost/benefit ratio is far too great to employ more personnel; effort being made to improve quality of accounting staff.	No
	Clerk of the Circuit Court	C08-01 - Segregation of Duties: Inadequate separation of certain accounting and administrative duties due to limited staff. At a minimum, the Constitutional Officers should receive and review the unopened bank statements each month, indicating on the statement evidence of the review. [Note: Also refers to finding as #2008-001] (See PDF Pages 71 & 104 of 210)	SD	2013 (FY 2010-11)	Due to financial pressure and lack of funding, cost/benefit ratio is far too great to employ more personnel; have implemented compensating controls.	No
		C08-02 - Preparation of GAAP-Based Financial Statements: No individual on staff has the accounting education and experience to prepare financial statements in accordance with generally accepted accounting principles. County must hire a firm; auditor understands the cost-benefit ratio of hiring appropriate staff is not practical. [Note: Also refers to finding as #2008-002] (See PDF Pages 71 & 104 of 210)	SD	2013 (FY 2010-11)	The cost/benefit ratio is far too great to employ more personnel; effort being made to improve quality of accounting staff.	No

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Jefferson County (continued)	Property Appraiser	PA08-01 - Segregation of Duties: Inadequate separation of certain accounting and administrative duties due to limited staff. At a minimum the Constitutional Officers should receive and review the unopened bank statements each month, indicating on the statement evidence of the review. [Note: Also refers to finding as #2008-001] (See PDF Pages 71 & 129 of 210)	SD	2013 (FY 2010-11)	In 2012 staff with accounting and financial experience was hired and new policies and procedures have been implemented to help address issues.	No
		PA08-02 - Preparation of GAAP-Based Financial Statements: No individual on staff has the accounting education and experience to prepare financial statements in accordance with generally accepted accounting principles. County must hire a firm; auditor understands the cost-benefit ratio of hiring appropriate staff is not practical. [Note: Also refers to finding as #2008-002] (See PDF Pages 71 & 129 of 210)	SD	2013 (FY 2010-11)	Indicates that in 2012 staff with accounting and financial experience was hired, but will continue to rely on CPA firm to prepare financial statements and related notes.	No
	Sheriff	S08-01 - Segregation of Duties: Inadequate separation of certain accounting and administrative duties due to limited staff. At a minimum, the Constitutional Officers should receive and review the unopened bank statements each month, indicating on the statement evidence of the review. [Note: Also refers to finding as #2008-001] (See PDF Pages 71 & 155 of 210)	SD	2013 (FY 2010-11)	Due to financial pressure and lack of funding, cost/benefit ratio is far too great to employ more personnel; have implemented compensating controls.	No
		S08-02 - Preparation of GAAP-Based Financial Statements: No individual on staff has the accounting education and experience to prepare financial statements in accordance with generally accepted accounting principles. County must hire a firm; auditor understands the cost-benefit ratio of hiring appropriate staff is not practical. [Note: Also refers to finding as #2008-002] (See PDF Pages 71 & 155 of 210)	SD	2013 (FY 2010-11)	Due to financial pressure and lack of funding, cost/benefit ratio is far too great to employ more personnel; will continue to rely on CPA firm to prepare financial statements.	No

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Jefferson County (continued)	Supervisor of Elections	SOE08-01 - Segregation of Duties: Inadequate separation of certain accounting and administrative duties due to limited staff. At a minimum, the Constitutional Officers should receive and review the unopened bank statements each month, indicating on the statement evidence of the review. [Note: Also refers to finding as #2008-001] (See PDF Pages 71 & 178 of 210)	SD	2013 (FY 2010-11)	Due to financial pressure and lack of funding, cost/benefit ratio is far too great to employ more personnel; have implemented compensating controls.	No
		SOE08-02 - Preparation of GAAP-Based Financial Statements: No individual on staff has the accounting education and experience to prepare financial statements in accordance with generally accepted accounting principles. County must hire a firm; auditor understands the cost-benefit ratio of hiring appropriate staff is not practical. [Note: Also refers to finding as #2008-002] (See PDF Pages 71 & 178 of 210)	SD	2013 (FY 2010-11)	Due to financial pressure and lack of funding, cost/benefit ratio is far too great to employ more personnel; will continue to rely on CPA firm to prepare financial statements.	No
	Tax Collector	TC08-01 - Segregation of Duties: Inadequate separation of certain accounting and administrative duties due to limited staff. At a minimum, the Constitutional Officers should receive and review the unopened bank statements each month, indicating on the statement evidence of the review. [Note: Also refers to finding as #2008-001] (See PDF Pages 71 & 204 of 210)	SD	2013 (FY 2010-11)	Due to financial pressure and lack of funding, cost/benefit ratio is far too great to employ more personnel; have implemented compensating controls.	No
		TC08-02 - Preparation of GAAP-Based Financial Statements: No individual on staff has the accounting education and experience to prepare financial statements in accordance with generally accepted accounting principles. County must hire a firm; auditor understands the cost-benefit ratio of hiring appropriate staff is not practical. [Note: Also refers to finding as #2008-002] (See PDF Pages 71 & 205 of 210)	SD	2013 (FY 2010-11)	Due to financial pressure and lack of funding, cost/benefit ratio is far too great to employ more personnel; will continue to rely on CPA firm to prepare financial statements.	No

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Levy County	Board of County Commissioners	2014-001 - Financial Statement Findings: It was necessary for the auditor to assist with the preparation of the Board's financial statements. (See PDF Page 76 of 191)	SD	2013 (FY 2010-11)	Due to limited staff, it is in the best interest to outsource this task to independent auditors.	No
	Clerk of the Circuit Court	2014-001 - Financial Reporting: It was necessary for the auditor to assist with the preparation of the Clerk's financial statements. (See PDF Page 105 of 191)	SD	2013 (FY 2010-11)	Would require additional personnel, which is not cost effective.	No
	Sheriff	2014-001 - Separation of Duties: Inadequate separation of duties due to limited staff. To the extent possible, given the availability of personnel, steps should be taken to separate employee duties so that no one individual has access to both physical assets and the related accounting records, or to all phases of a transaction. (See PDF Page 131 of 191)	MW	2013 (FY 2010-11)	Continuing to improve dual role responsibilities.	No
Madison County	Tax Collector	TC 2014-01 - Segregation of Duties: Separation of certain accounting and administrative duties among employees was not adequate. [Note: Auditor General refers to finding as 2013-01] (See PDF Pages 86 & 170 of 173)	MW	2014 (FY 2011-12)	Small county with limited funds.	No
Putnam County	Sheriff	2014-001 - Financial Reporting: It was necessary for the auditor to assist with the preparation of the financial statements. (See Part 2, PDF Page 55 of 116)	MW	2013 (FY 2010-11)	Evaluated cost vs. benefit and determined that it was in office's best interest to outsource to our independent auditors.	No
Washington County	Board of County Commissioners	BCC2005-001 - Segregation of Duties: Controls should be implemented to separate custody of assets, recordkeeping, and authorization to the greatest extent possible. (See PDF Pages 71 & 149 of 293)	SD	2013 (FY 2010-11)	Due to financial pressures and lack of funding, cost/benefit ratio too great to employ more personnel; describes some actions taken to address issue.	No

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Washington County (continued)	Board of County Commissioners (continued)	BCC2007-001 - Deficiency Over Financial Reporting: No individual on staff has the accounting education and experience to properly record more complex accounting transactions and prepare financial statements in accordance with generally accepted accounting principles. County has to hire someone to provide bookkeeping services and a firm to prepare the financial statements; auditor understands that hiring someone with this expertise may not be cost effective. (See PDF Pages 71-72 & 148-149 of 293)	SD	2013 (FY 2010-11)	Due to financial pressures and lack of funding, cost/benefit ratio too great to employ more personnel; describes some actions taken to address issue.	No
	Clerk of the Circuit Court	CC 03-03 - Segregation of Duties: Inadequate separation of duties between employees with recordkeeping responsibility and those with custody of assets. Size of administrative staff limits the ability to achieve ideal separation of duties; however, the Clerk should remain very active and involved in the day-to-day operations. Controls should be implemented to help compensate for these weaknesses and to provide appropriate checks and balances. (See PDF Pages 73 & 186 of 293)	SD	2013 (FY 2010-11)	Due to financial pressures and lack of funding, cost/benefit ratio is far too costly.	No
		CC 07-09 - Preparation of GAAP-Based Financial Statements: No individual on staff has the accounting education and experience to prepare financial statements in accordance with generally accepted accounting principles (GAAP). Clerk has to hire a firm; auditor understands the cost-benefit of hiring someone with this expertise is not practical. (See PDF Pages 73 & 186 of 293)	SD	2013 (FY 2010-11)	Due to financial pressures and lack of funding, cost/benefit ratio is far too costly.	No

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Washington County (continued)	Property Appraiser	03-03 - Segregation of Duties: Inadequate separation of duties between employees with recordkeeping responsibility and those with custody of assets. Size of administrative staff limits the ability to achieve ideal separation of duties; however, the Property Appraiser should remain very active and involved in the day-to-day operations. Controls should be implemented to help compensate for these weaknesses and to provide appropriate checks and balances. [Note: Also refers to finding as #PA03-03] (See PDF Pages 74 & 212 of 293)	SD	2013 (FY 2010-11)	Indicates that this will always be an issue due to size of office; have implemented measures to help compensate.	No
		07-11 - Preparation of GAAP-Based Financial Statements: No individual on staff has the accounting education and experience to prepare financial statements in accordance with generally accepted accounting principles (GAAP). Property Appraiser has to hire a firm; auditor understands the cost-benefit of hiring someone with this expertise is not practical. [Note: Also refers to finding as #PA07-11] (See PDF Pages 74 & 212 of 293)	SD	2013 (FY 2010-11)	Cost-benefit of hiring someone with such expertise is not feasible.	No
	Sheriff	03-01 - Segregation of Duties: Inadequate separation of duties between employees with recordkeeping responsibility and those with custody of assets. Size of administrative staff limits the ability to achieve ideal separation of duties; however, the Sheriff should remain very active and involved in the day-to-day operations. Controls should be implemented to help compensate for these weaknesses and to provide appropriate checks and balances. [Note: Also refers to finding as #SH03-01] (See PDF Pages 74 & 238 of 293)	SD	2013 (FY 2010-11)	It is not feasible for our agency to employ additional staff.	No

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Washington County (continued)	Sheriff (continued)	07-10 - Preparation of GAAP-Based Financial Statements: No individual on staff has the accounting education and experience to prepare financial statements in accordance with generally accepted accounting principles (GAAP). The Sheriff has to hire a firm; auditor understands the cost-benefit of hiring someone with this expertise is not practical. [Note: Also refers to finding as #SH07-10] (See PDF Pages 75 & 238 of 293)	SD	2013 (FY 2010-11)	It is not feasible for our agency to employ additional staff.	No
	Supervisor of Elections	SOE03-03 - Segregation of Duties: Inadequate separation of duties between employees with recordkeeping responsibility and those with custody of assets. Size of County finance office staff limits the ability to achieve ideal separation of duties; however, the Board of County Commissioners and Supervisor of Elections should remain very active and involved in the day-to-day operations. Controls should be implemented to help compensate for these weaknesses and to provide appropriate checks and balances. [Note: Also refers to finding as #SOE03-03] (See PDF Pages 75 & 262 of 293)	SD	2013 (FY 2010-11)	Board of County Commissioners is responsible for maintaining financial record keeping related to this Office. Limited staff; will continue to ensure there are checks and balances in daily work.	No
		SOE07-12 - Preparation of GAAP-Based Financial Statements: No individual on staff has the accounting education and experience to prepare financial statements in accordance with generally accepted accounting principles (GAAP). The Supervisor of Elections has to hire a firm; auditor understands the cost-benefit of hiring someone with this expertise is not practical. [Note: Also refers to finding as #SOE07-12] (See PDF Pages 76 & 262 of 293)	SD	2013 (FY 2010-11)	It is not feasible for our office to hire someone with this expertise.	No

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Washington County (continued)	Tax Collector	TC03-03 - Segregation of Duties: Inadequate separation of duties between employees with recordkeeping responsibility and those with custody of assets. Size of staff limits the ability to achieve ideal separation of duties; however, the Tax Collector should remain very active and involved in the day-to-day operations. Controls should be implemented to help compensate for these weaknesses and to provide appropriate checks and balances. (See PDF Pages 76 & 288 of 293)	SD	2013 (FY 2010-11)	States that this will always be an area of concern because of size of office.	No
		TC07-11 - Preparation of GAAP-Based Financial Statements: No individual on staff has the accounting education and experience to prepare financial statements in accordance with generally accepted accounting principles (GAAP). The Tax Collector has to hire a firm; auditor understands the cost-benefit of hiring someone with this expertise is not practical. (See PDF Pages 76 & 288 of 293)	SD	2013 (FY 2010-11)	Cost-benefit of hiring someone with this expertise is not feasible.	No

FOOTNOTE/LEGEND:

1. Most of these audits have been conducted by private certified public accountants, as required by Section 218.39(1), Florida Statutes.
2. **Material Weakness (MW)**: a deficiency, or combination of deficiencies, in internal control such that there is reasonable possibility that one of the following will not be prevented, or detected and corrected, on a timely basis:
 - a. a material misstatement of the entity's financial statements, or
 - b. material noncompliance with a type of compliance requirement.

For example, a deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement on a timely basis.

The severity of the deficiency would determine whether it should be classified as a material weakness, a significant deficiency, or an additional matter.

3. **Significant Deficiency (SD)**: less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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Town of Alford	Jackson County	2010-01 - Other Post-Employment Benefits: The Town did not implement GASB Statement 45 or obtain the actuarial report necessary to determine the amounts to report in the financial statements. (See PDF Page 40 of 47)	MW	2015 (FY 2012-13)	The Town is a very small rural community with a very limited budget and a staff of less than five. The Town's small budget cannot handle the costs of an actuarial report; it is taking steps to comply under the Alternative-Measurement Method for Statement 45 requirements. The Town will contact the Florida League of Cities about any programs that may be available to help the Town facilitate this in the future.	Yes
		2011-01 - Accounts Receivable - Collections: The Town does not always implement cut off and subsequent collection procedures on delinquent accounts in a timely manner. (See PDF Page 40 of 47)	MW	2015 (FY 2012-13)	This issue has been resolved. The Town has replaced the antiquated water billing system and has also now implemented new policies establishing cut-off-dates. Proper procedures for delinquent accounts are being followed. This finding should not appear in the FY 2013-14 audit.	Yes
Town of Altha	Calhoun County	2013-001 - Accounting Policies and Procedures Documentation: The Town did not have an accounting procedures manual that had been finalized and adopted. (See PDF Page 39 of 53)	MW	2015 (FY 2012-13)	The Town now has a written accounting policy and procedures manual in place, which includes the internal control procedures over these processes. For FY 2015-16 and future years, the Town will have a two-member council team that will do internal control.	Yes
		2013-003 - Bank Reconciliations: Certain accounts had reconciling items that were old and outstanding or did not exist, as well as outstanding checks. Also, bank reconciliations were not prepared timely; therefore, the Council is not reviewing up-to-date financial information. (See PDF Page 40 of 53)	MW	2015 (FY 2012-13)	All bank accounts are now being reconciled as part of the monthly closeout procedure. After they are reconciled, the internal audit team will look over them; the internal control team will investigate any old outstanding checks.	Yes
		2013-004 - Monthly Closeout Procedures: The Town did not have any formalized monthly or year-end financial statement closeout procedures. Also, accounting system used does not require a "close" of each month; as a result, transactions can be backdated to the prior period, thus changing the previously reported financial statements. (See PDF Page 41 of 53)	MW	2015 (FY 2012-13)	The Town has a CPA doing the monthly closeouts for FY 2014-15. The CPA will also be closing out that year. All future fiscal years will be done by the Town Clerk and the internal audit team. All procedures that are in the manual are being followed.	Yes

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Town of Altha (continued)	Calhoun County (continued)	2013-006 - Utility Billing: The Town did not keep an accurate utility billing system. Instances were noted where amounts billed to customers did not agree with Town's utility rate sheet and to meter reading worksheets. In addition, late fees were not charged accurately due to system overrides. Also, the Town Clerk could not produce an accurate monthly cutoff worksheet from billing system, and accounts receivable aging obtained from the utility billing system included significantly old outstanding client account balances that either no longer existed or had been written off in previous years. (See PDF Page 42 of 53)	MW	2015 (FY 2012-13)	The Town has performed a detailed analysis of the billing system & reviewed customer accounts and corrected any errors in billing. The Town now has a new billing system that has audit controls to ensure accuracy and a cut-off policy that is being implemented.	Yes
		2013-007 - Cash Disbursements: Checks were made out to "cash" that were intended for various petty cash related purposes, which could easily be negotiated by anyone in the event one is lost or stolen. (See PDF Page 42 of 53)	MW	2015 (FY 2012-13)	There are no checks being written to cash as of the beginning of FY 2014-15. The Town has a formal petty cash system in place. All checks are supported with receipts and filed in a manner that makes them easily accessible.	Yes
		2013-008 - Disaster Recovery Plan: The Town does not have current well-defined, written disaster recovery procedures. (See PDF Page 43 of 53)	MW	2015 (FY 2012-13)	The Town has developed a disaster recovery plan that includes all the information recommended by the auditor.	Yes
		2013-009 - Water Usage Reports: Monthly gallons of water produced as reported by the Town Water Operator to Northwest Florida Water Management District varied significantly from the gallons of water billed on the monthly utility billing reports. (See PDF Page 43 of 53)	MW	N/A	N/A	Yes
		2013-010 - Property Records and Inventory of Property: The Town has not complied with the Florida Department of Financial Services' Rules which require governmental units to maintain adequate records of property in their custody, including marking of property items for identification and completing a physical inventory of property annually. (See PDF Page 44 of 53)	N/A	2015 (FY 2012-13)	The Town has started the process of providing detailed records for property, plant and equipment that will meet the requirements of the Florida Department of Financial Services' Rules. The Town is in the process of marking all property with identification numbers. The Town will complete an annual inventory.	Yes

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Prepared by the Staff of the Joint Legislative Auditing Committee
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Town of Altha (continued)	Calhoun County (continued)	2013-013 - Timely Filing of Tax Returns: The Town did not file IRS Forms 1099 and 1096 for various contracted services. (See PDF Page 47 of 53)	N/A	2015 (FY 2012-13)	The internal audit team along with the Town Council will ensure that all tax returns are submitted in a timely manner.	Yes
		2013-014 - Budgetary Controls: After Fiscal year-end when final fund equities were determined, the Town did not amend the budget to include the appropriate amounts. The Town also did not post the final budget on an official website as required by Florida Statutes. (See PDF Page 47 of 53)	N/A	2015 (FY 2012-13)	The Town will begin the process of amending the budget following the annual audit to ensure that all carry forward funds agree to the final fund equities. Each year the Town will hold quarterly budget meetings to ensure expenditures are not exceeding appropriations. Amendments will be approved by the Town Council if needed.	Yes
		2013-015 - Budgetary Information: Expenditures exceeded appropriations in the General Fund. (See PDF Page 47 of 53)	N/A	2015 (FY 2012-13)	The Clerk, along with the internal audit team will ensure that all grant revenues are in the budget. The Clerk and the internal audit team will monitor the budget to make sure that the expenditures do not go over the appropriations.	Yes
		2013-16 - Financial Condition: There continues to be evidence of unfavorable financial indicators including a decrease in the ratio of unrestricted cash to total expenditures, deficiencies of revenues over expenditures in the governmental funds, and continuing operating losses in the water and wastewater fund, as well as a deficient unrestricted net assets in the water and wastewater fund. (See PDF Page 48 of 53)	N/A	2015 (FY 2012-13)	The Town will and has taken appropriate corrective action to resolve any findings or recommendations as well as monitor the Town's expenses.	Yes
City of Archer	Alachua County	2012-1 - Employee Leave Records: Leave records in the current and prior years were not consistently recorded for leave earned and taken by employees. This resulted in inaccurate leave balances at year end and also apparent incorrect payments for unused annual and sick leave in accordance with the City's leave policies. (See PDF Page 50 of 56)	N/A	N/A	N/A	Yes

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City of Avon Park	Highlands County	2014-001 - Capital Assets Subsidiary Ledger and Physical Inventory: The City reported the disposition of an asset that is still owned and in use by the City. Identifying tags are not consistently used for machinery, equipment and similar items. (See PDF Page 77 of 84)	MW	N/A	N/A	Yes
		2014-002 - Community Redevelopment Districts: The City has not amended or modified the community redevelopment district plans since their respective adoption dates. The plans are in certain circumstances ambiguous with the types of expenditures allowed under the plans. In other circumstances, the plans are outdated as it relates to management's current plans with utilization of community redevelopment funds. (See PDF Pages 81-82 of 84)	N/A	2015 (FY 2012-13)	Some progress has been made; the City has retained a consultant and is hopeful that this would be corrected by the end of FY 2014-15.	Yes
City of Belleview	Marion County	2014-1 - Monthly and Yearly Financial Closing Routine: The accounting records were not properly reconciled and closed at year-end, primarily due to a software conversion and the absence of key personnel. (See PDF Page 110 of 118)	SD	N/A	N/A	Yes
Village of Biscayne Park	Miami-Dade County	2012-01 - Sub-Contractors: The Village currently has no written formal contracts with any of its subcontractors performing permit inspections. (See PDF Page 106 of 110)	N/A	N/A	N/A	Yes
City of Bowling Green	Hardee County	14-01 - Year End Adjustments: Numerous year-end adjustments were required to correctly reflect the City's financial position and results of operations. (See PDF Page 49 of 54)	SD	2015 (FY 2012-13)	The City Manager and two office staff were replaced, creating the typical problems associated with training new staff. Through ongoing monitoring, the City has decreased the number of adjustments from 25 in the previous year to 18 this year. Audit recommendations have been implemented and continue to be refined in an effort to eliminate this finding.	Yes

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Town of Bronson	Levy County	ML 2009-4 - Water and Sewer Fund: The Town's water and sewer fund has not been able to operate self-sufficiently under the current rate structure, and has recorded operating losses for the last several years. (See PDF Page 33 of 36)	N/A	2015 (FY 2012-13)	New water conservation rates were adopted in March 2013. Sewer rates were increased and adopted by resolution in February 2015 and will be implemented as early as July 1, if not sooner, as the Town is in the final stages of the sewer expansion project.	Yes
City of Bushnell	Sumter County	2011-1 - Financial Condition Assessment – Wastewater Fund: The wastewater fund continues to show a net operating loss and is operating with borrowed funds from both outside sources and through interfund advances from the electric and water funds. (See PDF Page 117 of 121)	N/A	2015 (FY 2012-13)	Currently, the Council has authorized another independent Wastewater rate study within the upcoming budget year to re-evaluate the rate structure. Additionally, and in an effort to currently avoid raising rates so that customers are not adversely impacted financially, the City has approved transfers from the General Fund to the Wastewater Fund to help supplement the Wastewater Fund Revenues.	Yes
		2012-2 - Sewer Bond Compliance: For FY 2013-14 the City's Sewer Fund did not have sufficient net revenues to meet the required Debt Service Coverage ratios. A rate study was performed at the end of 2013, which recommended that the City increase the rates in order to provide enough funds to cover operating expenses and assist with debt service requirements. (See PDF Page 117 of 121)	N/A	N/A	N/A	Yes
City of Callaway	Bay County	2014-07 - Written Control Risk Assessment: The City has not formally documented management's control risk assessment regarding significant transaction cycles. The City assesses risk routinely but the risk assessment process is not documented or formalized. (See PDF Page 113 of 114)	N/A	N/A	N/A	Yes
City of Carrabelle	Franklin County	14-03 - Capital Assets: The City had not taken a complete physical inventory of property and equipment. The City also did not include an ID number for each item of the inventory listing. (See PDF Pages 49 & 51 of 57)	N/A	2015 (FY 2012-13)	The City is in the process of completing an inventory list which will correlate with the Auditors depreciation list. All department supervisors will receive a list and be responsible for property on the inventory list and for an annual physical inventory..	Yes

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City of Carrabelle (continued)	Franklin County (continued)	14-04 - Bank Reconciliations: Bank reconciliations were not signed off on as being reviewed. Also, several bank reconciliations included checks that were outstanding at the prior year's audit date. (See PDF Pages 49 & 52 of 57)	MW	2015 (FY 2012-13)	The City has implemented a process to have bank statements signed off on as being reviewed.	Yes
		14-09 - Manual: The City does not have an accounting procedures manual. (See PDF Pages 51 & 53 of 57)	N/A	2015 (FY 2012-13)	Writing of the Accounting Manual is in progress.	Yes
		14-10 - Disaster Recovery Plan: The City does not have current, well-defined, written disaster recovery procedures. (See PDF Pages 51 & 53 of 57)	N/A	2015 (FY 2012-13)	The City has completed a Disaster Recovery Plan by implementing off site backup.	Yes
		14-11 - Budgetary Controls: The City adopts its budget for the various funds on the modified accrual basis of accounting. Based upon that budget approach, the City's expenditures exceeded appropriations in the General Fund, the Special Revenue Fund, the Water and Sewer Fund, and the Port and Airport Fund. (See PDF Pages 51 & 54 of 57)	N/A	2015 (FY 2012-13)	The City will amend its budget at year end and will include the cash carry forward from year to year in future budgets.	Yes
		14-12 - Budgetary Controls – General: The City did include carry forward amounts in its adopted budget. However, after fiscal year-end when the final fund equities were determined, the City did not amend the budget to include the appropriate amounts. (See PDF Pages 52 & 54 of 57)	N/A	2015 (FY 2012-13)	The City will amend its budget at year end and will include the cash carry forward from year to year in future budgets.	Yes
City of Clewiston	Hendry County	2012-1 - Decrease In Unassigned Fund Balance of Governmental Funds: Over the past seven years the unassigned fund balance of the governmental funds of the City has decreased from \$2,678,969 as of September 30, 2006, to a deficit balance of \$846,981 as of September 30, 2014. The city has also budgeted expenditures for the governmental funds in excess of revenues in the amount of \$660,000 for the fiscal year ending September 30, 2015. (See PDF Page 84 of 90)	N/A	N/A	N/A	Yes

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City of Coleman	Sumter County	2014-2 - Lack of Capital Assets Records and Safeguarding of Assets: The City's procedure for safeguarding property and equipment are improving. The primary issue pertains to very old property and equipment due to lack of old records and incompleteness of description of assets and limited personnel. The City has committed to ensuring all department heads participate in this year's physical inventory and assists in the reconciling of the City's property and equipment records. . (See PDF Page 57 of 61)	SD	2015 (FY 2012-13)	We have completed a physical inventory for almost all the departments and are now in the process of checking old minutes and financial records to reconcile fixed asset records. We will be making our report to the auditors and working toward eliminating this deficiency once and for all.	Yes
City of Cottdale	Jackson County	09-1 - General Accounting Records: The City uses a separate computer program to record and track its utility revenues and billings. Only cash receipts data is entered into the general ledger program. The totals in the general ledger are not reconciled to the utility billing records. Also, the general ledger accounts payable account for the general and enterprise funds were significantly off from the subsidiary reports. (See PDF Page 56 of 69)	MW	2015 (FY 2012-13)	Policies will be instituted requiring a regular detail report to be generated and general ledger totals to be reconciled to detail records where applicable. Additional training from an external source will be requested. Supervision from the governing commissioners will be mandatory.	Yes
		09-2 - General Accounting Records: Since FY 2005-06, the City has changed City Clerk several times; most of the office staff has changed in this period of time as well. Partially as a result of these changes, there appears to have been poor communications and some friction between staff members and between staff and the City Council. Although this area is somewhat improved, there continues to be staff turnover and inadequate communications. (See PDF Page 57 of 69)	MW	2015 (FY 2012-13)	Additional training from an external source will be requested. Supervision from the governing commissioners will be mandatory, especially in the areas of the status of financial accounting and controls systems.	Yes

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City of Cottondale (continued)	Jackson County (continued)	2004-2 - Capital Asset Inventory: The City should take periodic inventories of its capital assets (property and equipment). Also, management needs to adopt reasonable policies for what items will be tagged. (See PDF Page 65 of 69)	N/A	2015 (FY 2012-13)	Department heads have been advised to tag equipment to allow an inventory of assets. Identifying inventory to be tagged and those not requiring tags allows levels of control.	Yes
City of Dade City	Pasco County	2012-01 - General Accounting Records: Internal control over financial reporting should be in place in ensure the financial statements are fairly presented in accordance with generally accepted accounting principles. (See PDF Page 82 of 91)	MW	N/A	N/A	Yes
City of Davenport	Polk County	2012-1 - Information Technology: There was a lack of written Information Technology policies and procedures. (See PDF Page 50 of 54)	N/A	N/A	N/A	Yes
City of Deerfield Beach	Broward County	ML 08-2 - Accounting Policies and Procedures Manual: The City is in the process of preparing its policies and procedures manual which should be available during FY 2014-15. Once the manual has been formally approved, the finding will no longer be relevant. (See PDF Pages 152-153 of 153)	N/A	2015 (FY 2012-13)	The City has made substantial progress in the development of its accounting policies and procedures. The City has since updated its purchasing policies and has incorporated the updates into its code of ordinances. The City is almost done with its policies and procedures manual and hopes to present it to the City Commission for formal approval by the end of 2015.	Yes
		ML 10-2 - Segregation of Duties - Payroll: The payroll accountant has access to the payroll data system, is charged with printing the checks with an electronic signature, and also delivers or mails the checks to the individual employees. The same individual should not be able to initiate, process, and record transactions. (See PDF Pages 151-152 of 153)	N/A	2015 (FY 2012-13)	The City's Human Resources Department will be assuming the duty of entering all personal actions. The City is currently in the process of migrating to a new Enterprise Resource Planning System, and plans to migrate to this system by March 2016. Upon conversion to the new system, the person assigned to process the City's payroll will no longer be involved in updating employees' personnel files.	Yes

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City of Deerfield Beach (continued)	Broward County (continued)	ML 11-1 - Compliance with Investment Policy: The City was not in compliance with two provisions of its investment policy. New written policies and procedures have been drafted, but have not been finalized and approved. Once the written policies and procedures have been formally approved, the finding will no longer be relevant. (See PDF Pages 145-146 of 153)	N/A	2015 (FY 2012-13)	The City has since updated its investment policies. All individuals who have check-signing authority have been bonded.	Yes
		ML 11-4 - New Hire Access Request Process and Terminated User Disablement and Removal Process: The City does not have a consistent, formal communication process in place either to ensure that all terminated employees or other resources having access to City applications are promptly disabled and/or removed from the network and relevant applications. The City should continue the process of completing its Information Technology Department Policies and Procedures Manual. Once the written policies and procedures have been formally approved, the finding will no longer be relevant. (See PDF Pages 146-147 of 153)	N/A	2015 (FY 2012-13)	Due to a shortage of staff in the City's Human Resources and Information Technology Services Departments, the implementation of the City's new hire access Request Policy has not yet been implemented. During FY 2014-15, however, both departments have hired additional staff. It is our hope to have this finding resolved during FY 2015-16.	Yes
		ML 11-5 - Network Domain and AS-400 Password Parameters: Policy parameters are not set sufficiently to align with industry standards and best practices as it relates to network access due to increasing changes in the IT security arena and the increased vulnerabilities that exist in today's world. The City should continue the process of completing its Information Technology Department Policies and Procedures Manual. Once the written policies and procedures have been formally approved, the finding will no longer be relevant. (See PDF Pages 147-148 of 153)	N/A	2015 (FY 2012-13)	The Access Control Policy has been documented in the draft Information Technology Department Policies and Procedures Manual. The policy remains a high priority of the Department during this fiscal year.	Yes

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City of Deerfield Beach (continued)	Broward County (continued)	ML 11-6 - Logging and Monitoring of Security and Auditable Events: The City has not reviewed available monitoring mechanisms and reports and has not established formal review controls and related processes. The City should continue its attempts to create a formal policy. (See PDF Page 149 of 153)	N/A	2015 (FY 2012-13)	IT Department is logging both successful and unsuccessful logon attempts to its Active Directory Network and the AS-400. IT will continue to review industry policies that take into consideration storage and review requirements. The department reviews reports on an as needed basis and will improve this review to occur formally and on a routine basis.	Yes
		ML 11-8 - Change Management Policies and Procedures and Change Management Approval and Testing: Appropriate controls are not in place to ensure that all changes made to the IT systems are tested, validated, and approved prior to implementation into the production environment. The City should continue the process of completing its Information Technology Department Policies and Procedures Manual. Once the written policies and procedures have been formally approved, the finding will no longer be relevant (See PDF Page 150 of 153)	N/A	2015 (FY 2012-13)	A change in management policy has been documented in the City's draft Information Technology policies and procedures.	Yes
		ML 11-9 - Disaster Recovery Plan and Data Restoration Testing: The City does not appear to have a documented Disaster Recovery Plan or process in place to periodic data restoration testing and communication of results in place. The City should continue the process of completing its Information Technology Department Policies and Procedures Manual. Once the Disaster Recovery Plan has been formally approved, the finding will no longer be relevant. (See PDF Page 151 of 153)	N/A	2015 (FY 2012-13)	A Disaster Recovery Plan is in its draft stages; however, it is currently under review. It is the City's hope to adopt and implement this plan during FY 2015-16.	Yes

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Town of Dundee	Polk County	11-01 - Restricted Cash Monitoring Needs Improvement: The procedures in place are not adequate to track the sources and uses of all restricted resources or to monitor compliance with all debt-related covenants. In September 2014, management opened separate bank accounts to be used to segregate the Town's restricted funds. The auditors will continue to monitor this Finding to determine that management is properly monitoring these funds on a timely basis. (See PDF Page 52 of 52)	MW	2015 (FY 2012-13)	The Town, with the External Auditor's help, is currently working to monitor restricted cast on a monthly basis as directed. This procedure has taken longer to implement and correct. The Town believes that this finding will be resolved with the completion of the FY 2014-15 audit.	Yes
		12-1 - Idle Capacity Billing: In prior audits, the auditors recommended that management implement procedures to properly account for certificates that have been purchased that represent reservation of wastewater and water facilities and to properly charge and collect the related idle capacity fees. Management has implemented procedures to require the payment of unpaid idle capacity fees before a building permit is issued for individuals utilizing the capacity reservation certificates. Management is also in the process of accounting for the unredeemed capacity reservation certificates. (See PDF Page 52 of 52)	MW	N/A	N/A	Yes
City of Edgewood	Orange County	2012-2 - Ensure Compliance with Charter Provisions: The City's "unassigned" fund balance of the governmental funds exceeded 75% of the gross annual revenues, contrary to charter provisions; it was approximately 96%. (See PDF Page 41 of 43)	N/A	2015 (FY 2012-13)	City staff has created a spreadsheet for the purpose of monitoring the reserves on a monthly basis, based on the information provided in the monthly financial report. The City Council previously approved setting aside reserve monies that we believe will bring the City in compliance with the Charter provision.	Yes
City of Fanning Springs	Gilchrist County, Levy County	2012-2 - Budget Administration: Expenditures of the General Fund exceeded the budget by \$28,879 in the current year. (See PDF Pages 49-50 of 56)	N/A	N/A	N/A	Yes

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City of Fort Lauderdale	Broward County	2012-004 - Calculation of Compensated Absences: The City is unable to electronically track the unused sick liability for certain employees because of system limitations. This calculation is performed manually and can be cumbersome depending on an employee's length of service, which increases the potential for errors in the calculation. (See PDF Page 175 of 186)	SD	2015 (FY 2012-13)	The City has reviewed the data and process for the sick leave payout calculations and determined that it is not possible to automate the process, given the current data storage and payroll systems. The City is in the process of procuring an Electronic Resource Planning (ERP) solution to replace the current payroll system. Also, the City has simplified the computation of sick leave payouts for three Collective Bargaining Units. The City's objective is to move employees to the new payout methodology and eliminate the reliance on paper systems, multiple antiquated payroll systems, and last in, first out calculations. This corrective action plan is in progress, and the Access database is expected to be completed by 9/30/15.	Yes
		2012-006 - IT Controls: Information systems controls should reasonably assure that electronic information is not compromised by unauthorized access to systems and that access is granted only as needed for individuals within the entity to perform their assigned responsibilities while maintaining adequate segregation of duties. One employee had access to source code and production, and certain accounting users had access to modify source code. Also, there are no production monitoring controls. (See PDF Pages 176-177 of 186)	SD	N/A	N/A	Yes
Town of Fort White	Columbia County	2009-2 - Pumped vs. Billed Variances: The auditors noted that the revenues in the Town's Enterprise Fund indicated large undocumented gallons variances between the amounts of water pumped and the amounts billed for water usage. (See PDF Page 49 of 53)	N/A	2015 (FY 2012-13)	A record of gallons pumped and billed is being maintained to reconcile monthly differences. Meters have been installed to account for usage by the Fire Department and other Town usage.	Yes

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City of Graceville	Jackson County	2010-1 - Revenues/Collections: The City's water and sewer revenue was not reconciled to the water and sewer billing system. (See PDF Page 56 of 59)	N/A	2015 (FY 2012-13)	The City operates with a small staff. The City Clerk will complete reconciliations and retain for audit purposes a reconciliation of the water, sewer and garbage receivables.	Yes
		2012-1 - Fixed Assets: Inventory of property owned by the City has not been completed in several years. (See PDF Page 56 of 59)	N/A	N/A	N/A	Yes
		2012-2 - Cash: The City's Utility Customer Deposit Listing is not reconciled to the Utility Deposit bank account or the General Ledger. (See PDF Page 57 of 59)	N/A	N/A	N/A	Yes
Town of Greenville	Madison County	2014-03 - Disaster Recovery Plan: The Town does not have current well-defined, written disaster recovery procedures. (See PDF Page 44 of 49)	MW	N/A	N/A	Yes
		2014-05 - Bond Reserve and Sinking Fund Requirements: Monthly sinking fund deposits are not being made by the specified time period. (See PDF Page 45 of 49)	N/A	2015 (FY 2012-13)	Reserves have been met and are in the appropriate bank accounts. Sinking Fund monies are electronically transferred each month on the first.	Yes
City of Gretna	Gadsden County	2011-03 - General Accounting Records: During the course of the audits of FY 2010-11 and 2011-12, there were several accounts that needed reconciliations and adjusting journal entries being made after June 30. The City hired an outside consultant to perform account reconciliations and prepare schedules and analyses for the annual audit process. Management should provide timelines for the consultant to deliver the reconciliations and analyses in a more timely fashion in order to meet the State's reporting deadlines. (See PDF Pages 61-62 of 68)	MW	N/A	N/A	Yes
City of Haines City	Polk County	2014-01 - Technology Disaster Recovery Plan: Currently, the City does not have a written disaster and recovery plan in place; it is in the development stage. (See PDF Pages 115 & 117 of 119)	N/A	2015 (FY 2012-13)	A draft disaster plan has been presented to the City Commission, but has not been officially approved. The City is hopeful that this issue will be resolved by FY 2014-15.	Yes

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City of Hialeah	Miami-Dade County	2014-02 - Solid Waste and Storm Water Fund Deficit: The Solid Waste and Storm Water enterprise funds both had an operating loss in FY 2013-14. The fees charged to the City by Miami-Dade County for waste disposal have increased; however, there have been no significant adjustments to rates charged to the residents for these services. (See PDF Pages 174 & 176-177 of 178)	N/A	2015 (FY 2012-13)	Describes procedures implemented to address issue. The City expects the corrective action plan to be fully implemented by the start of FY 2015-16.	Yes
City of High Springs	Alachua County	2011-1 - Interfund Transfers to General Fund: The City's General Fund received transfers from several funds for administrative service allocations. The amounts transferred were apparently based upon allocations determined several years ago. The City subsequently commissioned a study to document the allocated costs, and results indicated that adjustments should be made to more fully reflect the correct allocation of General Fund services to the other funds. However, the City has not yet developed a plan to implement the changes. (See PDF Page 51 of 55)	N/A	2015 (FY 2012-13)	The City has also contracted with the company that performed the study to update the 2011 study with current data. The City will be revising the budget and presenting it to the City Commission in June 2015 for approval. At this time, the budget transfer will more accurately reflect the results of the study.	Yes
Town of Indialantic	Brevard County	IC 2012-01 - Accounting Policies and Procedures: Management does not have procedures in place to provide reasonable assurance that the general ledger is free of material misstatements. The Town does not have a financial professional on staff. Currently, the accounting function is outsourced to an individual that is not in the local area. This individual maintains the Town's financial information on a cash basis rather than on the required modified and full accrual basis. (See PDF Page 72 of 77)	MW	N/A	N/A	Yes

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Town of Jupiter	Palm Beach County	2010-3 - Purchase Approvals: For ten purchases tested, the purchase requisition or approval documentation was approved after the vendor invoice date. In all but two, the items purchased were recurring transactions, credit card purchases, or repair type items where cost could not be determined until the vendor invoice was received or the purchase was made. (See PDF Pages 132-133 of 136)	N/A	2015 (FY 2012-13)	The Town is mindful of the cost benefit of implementing risk protection measures that are reasonable and necessary. The Town has sought to install automated systems that allow for a more efficient manner of processing purchases.	Yes
Town of Lake Hamilton	Polk County	2009-10 - Policies and Procedures: The Town did not have and continues not to have written policies for many of its accounting systems or departmental functions. (See PDF Pages 42-43 of 53)	SD	2015 (FY 2012-13)	The Town has limited staff which limits the ability to produce policies in a timely manner. The Town continues to work on drafting and adopting accounting system policies. The policies will be adopted by the end of the fiscal year.	Yes
City of Lake Helen	Volusia County	2010-COM02 - Impact Fee Funds: The City did not deposit the proceeds of its water utility development (impact) fees into the required and restricted water development account. (See PDF Pages 79-80 of 90)	N/A	2015 (FY 2012-13)	The City now has a separate bank account to segregate impact fee funds and a journal for tracking their use.	Yes
		2010-SD02 - Purchase Orders and Procurements: The City does not utilize a formally approved Purchase Order system to manage its contractual purchasing commitments, budget authorizations, and related procurements. (See PDF Pages 79-80 of 90)	SD	2015 (FY 2012-13)	The City's new purchase orders and procurement policy has just been approved by the City Commission, and implementation is underway, which resolves this finding.	Yes
		ML 2008-02 - Uniform Accounting Policies and Procedures Manual: The City has not yet fully developed a formal, written accounting policies and procedures manual or written job descriptions. (See PDF Pages 83 & 86-87 of 90)	N/A	2015 (FY 2012-13)	The development of this manual now exists in draft form. The City has prepared a number of written procedures and policies, one of which is the City's new purchase orders and procurement policy which has just been approved by the City Commission. The City has also developed procedures to ensure that required actions are completed in a timely and effective manner.	Yes

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Town of Lake Park	Palm Beach County	2011-2 - Financial Condition Assessment Procedures: The Town is in a deteriorating financial condition. The Marina Fund had an operating loss in FY 2013-14. Excluding depreciation expense, the fund has had operating losses for five out of the last six years. In addition, the Community Redevelopment Agency Fund balance had a deficit for FY 2013-14. This was caused by increased expenditures and drops in the incremental tax revenues over the years. (See PDF Page 142 of 146)	N/A	2015 (FY 2012-13)	The Town has put a very significant amount of effort towards reversing the losses at the Town Marina and expect the losses will decrease and eventually transition into modest profits. As soon as the necessary repairs are made and an experienced Marina Director can be put in place.	Yes
		2013-1 - Written Accounting Procedures Manual: The Town has prepared an accounting policy manual and has made improvements in strengthening the internal control system and in communicating to employees their responsibilities in the system. However, there is not a detailed written accounting procedures manual. (See PDF Page 139 of 146)	MW	2015 (FY 2012-13)	The accounting staff continues to work towards an acceptable Accounting Policy Manual.	Yes
City of Lake Worth	Palm Beach County	2008-SD-05 - Inventory: The City is not addressing the amount of potential obsolete inventory. An oversight of inventory results in an understatement of expenses as well as an overstatement of net assets. (See PDF Page 187 of 188)	SD	2015 (FY 2012-13)	The City is taking active steps toward permanent solutions in inventory control, valuing, and obsolescence management. Describes specific steps taken.	Yes
City of Lakeland	Polk County	2014-1 - IT Policies and Procedures - Logical Access: The City's logical security controls for the three significant financial reporting systems and the network revealed that several areas would require further control enhancements to meet industry best practices and standards (Programmer Segregation of Duties, Appropriateness of User Roles, Password Parameters, and Database Generic Admin Log-on Accounts).(See PDF Pages 219 & 221 of 222)	N/A	2015 (FY 2012-13)	The City describes the corrective actions taken or will be taken to correct the finding. The Information Technology staff continually evaluates controls to assess the types of threats faced by the City and develop plans to mitigate those threats.	Yes

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City of Lauderdale Lakes	Broward County	2010-02 - Year-End Closing Entries: Balance sheet accounts, which include accrued liabilities, capital assets, and due to/from in all funds, reflected on the respective trial balances were not properly reconciled to reflect the appropriate balances as of fiscal year-end. (See PDF Pages 135 & 136 of 140)	SD	2015 (FY 2012-13)	In July 2014, the City Commission approved a resolution which authorizes various accounting services to augment the services of the City's Finance Department. In April 2015, the City Commission approved the recruitment of an additional position in the Financial Services Accounting Division. The City is confident that with the engagement of the additional accounting services and staff support, this finding will be fully corrected.	Yes
		2011-05 - Timely Completion of Bank Reconciliations: The City did not properly reconcile its pooled cash bank account nor was it completed in a timely manner. (See PDF Pages 135 & 137 of 140)	MW	2015 (FY 2012-13)	In July 2014, the City Commission approved a resolution which authorizes various accounting services to augment the services of the City's Finance Department. In April 2015, the City Commission approved the recruitment of an additional position in the Financial Services Accounting Division. The City is confident that with the engagement of the additional accounting services and staff support, this finding will be fully corrected.	Yes
		2012-04 - Accounts Receivable: Account receivable balances were not accurately reconciled to reflect the appropriate balances as of the fiscal year-end. (See PDF Pages 135 & 138 of 140)	SD	N/A	N/A	Yes
		2012-06 - Grant Administration and Review Process: The City as a sub-recipient for federal grant awards was not properly reconciling and recording the grant activity to reflect the appropriate balances as of the fiscal year-end. Additionally, reimbursement requests for grant expenditures were not timely filed with the respective granting agencies. (See PDF Pages 135 & 139 of 140)	MW	N/A	N/A	Yes
City of Live Oak	Suwannee County	2012-2 - Written Policies and Procedures: The City's accounting policies and procedures are not formally documented. (See PDF Page 89 of 92)	N/A	N/A	N/A	Yes

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City of Madison	Madison County	2012-1 - Financial Statement Preparation: The City does not have the expertise necessary to prevent, detect, and correct misstatements in the financial statements. The City is not capable of drafting the financial statements and all required note disclosures in accordance with generally accepted accounting principles. (See PDF Pages 69-70 of 75)	N/A	N/A	N/A	Yes
Town of Mangonia Park	Palm Beach County	2009-02 - Capital Assets Record Keeping: The Town did not have a detailed listing of capital assets. (See PDF Page 44 of 51)	MW	2015 (FY 2012-13)	Although the Town purchased a "Fixed Assets" Module to help address this finding, issues have been raised pertaining to previous "assets" that are not recordable due to loss of information and/or misplaced documentation. Staff completed training on May 2015.	Yes
		2011-03 - Excess of Expenditures Over Appropriations: There were departments with expenditures in excess of budgeted amounts contrary to Florida Statutes. (See PDF Page 48 of 51)	N/A	2015 (FY 2012-13)	The Town Council approved the budget amendment process in a timely manner for those expenditures seen and unforeseen via its regular town council meeting as required. Additionally, the Town has re-allocated expenditures in the correct categories.	Yes
		2012-01 - Grant Administrating and Monitoring: The Town did not have appropriate internal controls over grants to ensure that grant funds are being spent in accordance with grant conditions and with Town policies and procedures. (See PDF Page 45 of 51)	MW	N/A	N/A	Yes
Town of Mayo	Lafayette County	2007-1 - Pumped vs. Billed Variances: Revenues in the Town's Enterprise Fund continue to show large variances between the amounts of water pumped and the amounts billed to water usage. (See PDF Pages 46-47 of 50)	N/A	2015 (FY 2012-13)	Although the variance has not been fully resolved, it has been reduced 300,000 gallons. The hydrant leak continues to be a source of water loss. It is the Town's intent to make the necessary repairs to the hydrant to stop the water loss. However, limited staff and resources make it difficult to do the very costly repair.	Yes

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Town of Medley	Miami-Dade County	2014-02 - Capital Assets: The Town does not complete periodic or annual inventories for reconciliation purposes. Also, the Town has numerous pump station sites in its boundaries that have not been dedicated nor have easement language contained in their plats to conclusively establish proper dedication in accordance with Florida Statutes. (See PDF Page 69 of 75)	MW	2015 (FY 2012-13)	The Town believes that, for the smaller items such as office furniture, desktops, and other miscellaneous assets, an annual physical inventory is not cost effective and not material to the Town's operations and financial statements. In addition, an insurance appraisal was performed in March 2015 on all Town properties. The insurance company accounted for and assigned replacement values for all major capital assets. The Town now has stable legal representation and has a process in place to obtain proper dedication and conveyance of pump stations and right of ways.	Yes
		2014-03 - Licenses and Permit Items: There are a significant amount of manual calculations in the license and permit processes. In addition, there is a lack of supervisory review in the processes. Various licenses and permits were tested and noted the following: (1) Subsidiary ledgers do not interface with the general ledger. Reports cannot be generated. (2) The Town periodically receives cash payments and there are little to no controls over such receipts and the safeguarding of these payments. Amounts received are not consistently posted and deposited daily. (See PDF Page 70 of 75)	SD	2015 (FY 2012-13)	The Town is in the process of correcting these findings as follows: (1) added personnel in this department thereby lessening the work load and increasing internal controls; and (2) published a RFP for information system software for a fully integrated system that will link all departments to the financials. Selection of a proposal is anticipated at the July Council meeting. We believe that with the implementation and proper training of staff this issue will be resolved.	Yes
Town of Melbourne Village	Brevard County	001 - Year-End Accounting Procedures: The Town has not developed and implemented a formalized process for year-end closing procedures, with planned completion dates well in advance of the June 30 deadline. In addition, the financial statement compilation prepared for the Town by another firm was not reviewed sufficiently enough by Town management to identify and correct significant errors. (See PDF Page 43 of 55)	MW	2015 (FY 2012-13)	Town staff is in the process of designing and implementing year-end closing procedures which will help avoid these problems in the future. While this finding will be repeated in modified form in the FY 2013-14 report, the Town hopes to have finished refining the process to the point that it will not be repeated in the 2014-15 report.	Yes

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City of Milton	Santa Rosa County	2014-1 - Cash: The pooled cash account reconciliation did not agree to the general ledger balance at fiscal year-end, and the same issue occurred in FY 2009-10 through FY 2012-13. (See PDF Pages 99-100 of 103)	SD	2015 (FY 2012-13)	Describes steps being taken to address this finding. In light of recent staff increase, more reviews of the reconciliation process, work efforts and further staff training, the City is confident that the finding will be resolved.	Yes
City of Miramar	Broward County	ML 2011-03 - Audit Logging and Review: A policy has not yet been formalized requiring documentation of any system reviews performed that are not internally documented by the software. (See PDF Page 240 of 244)	N/A	2015 (FY 2012-13)	This issue has been resolved. The City started its multi-year implementation of an Enterprise Resource Planning (ERP) system during the time this finding was noted. Describes steps taken to address the finding, including retaining an Information Technology Consultant to perform an overall cyber-security maturity assessment for the City.	Yes
		ML 2013-02 - Password Configurations: Password configuration settings for complexity and length have not been set up to meet minimum requirements as stated in the City's Acceptable Technology Use Policy. (See PDF Page 241 of 244)	N/A	2015 (FY 2012-13)	This issue has been resolved. The Complex Password Configuration Policies and Procedures have been updated to formalize the system of logging, recording, and securing applications and supporting systems City-wide as of 6/1/15. The Security Information Technology Consultant will evaluate the password settings within his analysis.	Yes
City of Mulberry	Polk County	13-01 - Accounting Function: Transactions were not properly recorded in the general ledger. There were also various financial statement accounts, which were not timely reconciled and required material audit adjustments. (See PDF Page 56 of 57; also see Addendum to the Management Letter, PDF Page 1 of 1)	MW	2015 (FY 2012-13)	A change in the accounting support staff was made in March 2014. Every effort is being made to record all transactions in a timely and accurate manner. All general ledger accounts are not being reconciled timely. Also, a financial reporting consultant has been hired to assist the Finance Director in the audit of FY 2014-15.	Yes
City of New Port Richey	Pasco County	2014-10 - Water and Sewer Fund Prior Period Adjustment: Due to incorrect billings and improper recording of transactions in the previous year within the Water and Sewer Fund, the beginning net position of the respective fund has been restated in the amount of \$232,753. (See PDF Page 170 of 180)	MW	N/A	N/A	Yes

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City of New Port Richey (continued)	Pasco County (continued)	MLC 2013-01 - Water and Sewer Fund - Customer Receivable Reconciliation: The City does not have adequate policies and procedures to ensure that the detail customer utility receivables report is reconciled to the general ledger on a monthly basis. This finding has been partially addressed during FY 2013-14. (See PDF Page 172 of 180)	N/A	N/A	N/A	Yes
City of North Bay Village	Miami-Dade County	2006-01 - Capital Assets Subsidiary Detail Ledger Software, Reconciliation and Maintenance: The City maintains a manually prepared schedule in Excel for tracking its capital assets. The existing subsidiary ledger maintained on the spreadsheet requires constant maintenance and formula manipulation which lends itself to the possibility of errors being made, miscalculation along with additional time and effort to maintain. (See PDF Pages 105-106 of 106)	N/A	2015 (FY 2012-13)	The Village contracted with a vendor in FY 2012-13 to implement a new financial accounting, utility and billing, and fixed asset maintenance software system. The first phase of the conversion was in July 2014, and the implementation of the complete financial software system was started in November 2014. The fixed assets are now a part of the integrated financial software. If the fixed assets conversion is completed before 9/30/15, this finding will be eliminated in the FY 2014-15 audit report.	Yes
		2009-01 - Bank Reconciliations: Reconciliations of the City's operating cash accounts had been performed but not reconciled to the general ledger for a significant portion of the fiscal year. In addition to the preparation of bank reconciliations by a designated individual, there should be another individual charged with the review and approval of the reconciliation once it is prepared to verify the reconciliation process is complete. (See PDF Page 105 of 106)	MW	2015 (FY 2012-13)	The finance department started the implementation of the new complete financial software system in November 2014, which included the bank reconciliation as a part of the monthly close-out procedures. The monthly bank reconciliation was implemented in February 2015. If the bank reconciliations continue to be reconciled timely on a monthly basis, this finding will be eliminated in the FY 2014-15 audit report.	Yes

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City of North Miami Beach	Miami-Dade County	2009-3 - Upgrade the Accounting System: The financial accounting and reporting system software program used to perform the financial functions and related activity are several years old and outdated. Also, since that time, growth of the City has resulted in increased financial and operational requirements. Current status: In August 2014, the City Council awarded a contract and the City is currently in the implementation process of Phase I - Financials of the new software. (See PDF Pages 161-162 of 170)	SD	2015 (FY 2012-13)	In 2013, the City initiated the process for the purchase of a new financial management system. In 2014, the City contracted for the implementation of the ERP system. Implementation process has been an ongoing one and full implementation of all phases should be completed by 2017.	Yes
		2011-1 - Accounts Receivable Management Criteria: Accounts receivable in the Enterprise Funds trial balances revealed that many questionable items are included in the old balances. Additionally, the accounting system currently is unable to generate aging accounts receivable reports. (See PDF Pages 160-161 of 170)	SD	2015 (FY 2012-13)	In 2013, the City initiated the process for the purchase of a new financial management system. In 2014, the city contracted for the implementation of the ERP system. Implementation process has been an ongoing one and full implementation of all phases should be completed by 2017.	Yes
City of North Miami	Miami-Dade County	2014-01 - Reconciliation to General Ledger Accounts: The City did not provide a reconciliation to the ledger accounts for the Accounts Receivable, Accounts Payable, and Encumbrances recorded as of fiscal year-end. Reconciliations were not properly prepared and did not agree to the Trial Balance. (See PDF Pages 204-205 of 216)	MW	2015 (FY 2012-13)	Describes corrective actions put in place. During FY 2013-14, the Finance Department and the Purchasing Department lost key personnel due to resignations, which created a workflow burden within the departments. For FY 2014-15, the Finance Department and the Purchasing Department will rehire for these vacant positions and will continue to work towards the appropriate training measures so they can perform their jobs efficiently.	Yes

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City of Oak Hill	Volusia County	2009 SD01 - Capital Asset Records and Inventory: The City continues to have difficulty in developing and maintaining the records necessary to support the acquisition costs for prior years' qualifying fixed asset purchases. The physical inventory on the City's personal property items could not be completed until such records are generated. (See PDF Pages 59-60 of 70)	SD	2015 (FY 2012-13)	Due the extremely limited staffing capabilities, we have continued to experience difficulty in developing and maintaining a comprehensive, stand-alone, capital assets inventory system. The City is currently attempting to create complete departmental physical inventories and to develop new and improved procedures to track newly acquired assets. The City is also developing procedures and policies to maintain records of all fixed assets.	Yes
		2012 SD01 - Uniform Accounting System Manual: There were frequent discrepancies between the account numbers used to identify revenue and expense accounts in the approved budget and the account numbers included in the general ledger. Additional instances of account miscodings were found over various expense accounts, specifically including capital outlay, debt payments and payroll expense accounts. (See PDF Pages 60-61 of 70)	SD	N/A	N/A	Yes
		ML 2011-04 - Disposition of Restricted Police Funds: The City continues to hold balances of police funds that are exclusively restricted pursuant to Florida Statutes. Since the City no longer operates in the capacity to utilize these funds, all retained amounts should be forwarded to the Sheriff's Department for disposition. (See PDF Pages 63 & 65 of 70)	N/A	2015 (FY 2012-13)	Since the City terminated its local police activities, it has no known way to appropriately and legally dispose of these restricted funds. The City Commission has since taken action to close out and forward these funds to the Volusia County Sheriff's Department (the successor law enforcement agency for disposition in 2015).	Yes
		ML 2011-05 - Federal Information and Tax Reporting Requirements-IRS Form 1099: The City did not prepare and file all required Form 1099-MISCs which could potentially lead to future IRS complications for not being in compliance with federal reporting requirements. (See PDF Pages 63 & 65 of 70)	N/A	2015 (FY 2012-13)	While the City did in fact prepare several Form 1999-MISCs for the 2014 reporting period, the listing failed to include two vendors that were required to be reported. In early 2015, the City has implemented procedures that require a signed Form W-9 in each vendor file as a minimum condition of payment and taken steps to flag these payments in the internal computer systems.	Yes

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City of Oak Hill (continued)	Volusia County (continued)	ML 2011-06 - Updated OPEB Actuarial Report: The City's previous valuation of OPEB, conducted in 2011, is no longer materially accurate and the obligation of liability is substantially overstated, due to the disbanding of the City Police Department in 2011. (See PDF Pages 63 & 66 of 70)	N/A	2015 (FY 2012-13)	The City's most recent actuarial valuation was conducted on 10/1/09 and should have completed an update in 2012. However, in 2011 the City eliminated the majority of its personnel in the termination of its law enforcement division and from the elimination of a number of city position. The City is currently taking the necessary steps to update the actuarial valuation for the upcoming year end to meet current accounting and reporting requirements.	Yes
City of Oakland Park	Broward County	2011-ML-02 - Information Technology (IT) Access Control Procedures: The City does not have a formal process to grant, change and remove Users' access to critical information systems and resources. (See PDF Pages 144-145 of 146)	N/A	2015 (FY 2012-13)	The City has engaged a third party to perform the recommended testing. The City's ERP vendor has also invested in an enterprise level vulnerability and penetration testing product and is implementing an ongoing network assessment plan. With the conclusion of the testing, it is expected that this finding will be considered to have been fully implemented in the FY 2014-15 audit report.	Yes
Town of Oakland	Orange County	10-01 - Utility Billing Subledgers should be Reconciled to the General Ledger: Management should implement monthly reconciliations between the detailed utility customer accounts receivable and customer deposit subsidiary ledgers to the general ledger control accounts. (See PDF Page 53 of 62)	MW	2015 (FY 2012-13)	The Town is still in the process of implementing internal controls.	Yes
		10-02 - Cash Disbursements: Internal control procedures over cash disbursements have not been adequately designed or were not operating properly: (1) inadequate supporting documentation to support several disbursements; and (2) there is no formally adopted purchasing policy. (See PDF Page 53 of 62)	N/A	2015 (FY 2012-13)	The Town has adopted a formal Purchasing Policy. Controls are in place for having adequate documentation for all disbursements.	Yes

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Town of Oakland (continued)	Orange County (continued)	10-04 - Payroll: Internal control procedures over payroll processing and human resources have not been adequately designed or were not operating properly: (1) payroll data is being entered incorrectly into general ledger, and there is no reconciliation of payroll-related liabilities to the actual amounts paid; and (2) several employees were receiving annual leave time in excess of the annual leave provisions. (See PDF Page 54 of 62)	N/A	2015 (FY 2012-13)	Finding has been resolved in FY 2014-15.	Yes
		10-05 - Internal Control over Financial Reporting: Internal control over financial reporting failed to detect many financial statement misstatements resulting in audit adjustments. (See PDF Page 54 of 62)	SD	2015 (FY 2012-13)	The Town is still in the process of implementing controls and procedures.	Yes
		10-06 - Restricted Cash Monitoring Needs Improvement: Management was not always monitoring the restrictions places on revenues that are restricted as to use by enabling legislation or contract. (See PDF Page 54 of 62)	SD	2015 (FY 2012-13)	Finding has been resolved in FY 2014-15.	Yes
		11-4 - Reconciliation of Inter-fund Activity Needs Improvement: The Town's interfund due to/from accounts are not monitored and reconciled on a monthly basis. (See PDF Page 54 of 62)	MW	2015 (FY 2012-13)	Finding has been resolved in FY 2014-15.	Yes
		11-5 - Approval and Support of Journal Entries: Some journal entries lack adequate documentation and evidence of supervisory review. (See PDF Page 55 of 62)	MW	2015 (FY 2012-13)	Due to the size of the Town, the Town is seeking options to correct this finding.	Yes
		12-3 - Capital Asset Inventory: An inventory of the Town's capital asset property for FY 2013-14 was not performed. (See PDF Page 55 of 62)	N/A	N/A	N/A	Yes
		12-4 - Refuse Collection: The Town code of ordinances has not been amended to reflect the refuse collection rates being charged. (See PDF Page 55 of 62)	N/A	N/A	N/A	Yes

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Town of Orchid	Indian River County	2014-001 - Preparation of Financial Statements in Accordance with generally accepted accounting principles (GAAP) and Material Audit Adjustment: The Town lacks complete internal controls over the preparation of financial statements in accordance with GAAP. (See PDF Page 39 of 45)	MW	N/A	N/A	Yes
City of Palm Coast	Flagler County	2012-001 - Deficit Net Position and Negative Fund Balances: The City reported a deficit unrestricted net position. However, the City had unrestricted net position and unassigned fund balances in other funds that can be used by the funds with deficits to cover the reported deficits and would not impair the City's ability to carry out its functions. (See PDF Page 155 of 178)	N/A	N/A	N/A	Yes
City of Parker	Bay County	14-01 - General Accounting Records: Significant adjustments to the financial records were necessary in order for the financial statements to conform to generally accepted accounting principles. (See PDF Pages 50-51 of 53)	MW	N/A	N/A	Yes
		14-02 - Separation of Duties: Separation of certain accounting and administrative duties among employees, which is recommended as an effective internal control procedure, was not adequate to reduce the risk of fraud or misappropriation of assets to an acceptable level. (See PDF Page 51 of 53)	MW	N/A	N/A	Yes
Town of Pierson	Volusia County	2012-01 - Utility Billing: The Town's accounts receivable detail report and the customer deposit detail report are not being reconciled to the general ledger accounting system on a monthly basis. (See PDF Page 32 of 36)	SD	N/A	N/A	Yes

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Town of Ponce de Leon	Holmes County	2005-04 - Sinking and Reserve Fund Deposits: Sewer and Water Bond covenant requires that by the 15th of each month, 1/12 of the annual principal and interest debt service requirement be deposited into a sewer sinking fund account and a water sinking fund account. All required deposits had been made, but not timely. (See PDF Page 47 of 49)	SD	2015 (FY 2012-13)	The finding may never be fully resolved due to limited resources. The Town understands that monthly payments are required to be in compliance with the sewer and water bond covenants; however, sometime monthly payments cannot be made because of unexpected expenses that require immediate attention. Nevertheless, the Town has never failed to make the annual debt service payment and will strive to make monthly payments in the future.	Yes
		2008-05 - Accrual Basis of Accounting: The Town keeps its books on the cash basis of accounting. Generally accepted accounting principles require the financial statements to be on the modified accrual basis of accounting. The Town does not have a system in place to keep its books on the accrual basis. (See PDF Page 48 of 49)	MW	2015 (FY 2012-13)	The finding may never be fully resolved due to limited staff and resources. The Town employs one clerk that is the custodian of all books of the Town; the cash basis method is still being used for simplicity. Despite that, the Town will attempt to change to the accrual method.	Yes
		2012-01 - Financial Condition Assessment: The Town's overall financial condition weakened in 2014, due largely to operating losses in the proprietary fund. (See PDF Page 46 of 49)	N/A	N/A	N/A	Yes
Town of Ponce Inlet	Volusia County	ML 2012-01 - Financial Condition Assessment Procedures: The Town's financial condition assessment was inconclusive; however, three of the four critical financial condition assessment indicators used rated as unfavorable, which suggest a potential decline in the Town's overall financial position. (See PDF Pages 101-102 of 104)	N/A	N/A	N/A	Yes

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City of Port Orange	Volusia County	2014-003 - Tracking of Electronic Funds Transfers: The City makes some payments via electronic funds transfer (EFT) in place of physical checks, primarily as a means of increased efficiency. Currently, all such transfers are recorded in the general ledger as journal entries, and no specific tracking mechanism is in place for EFT transactions. (See PDF Page 153 of 155)	N/A	N/A	N/A	Yes
City of Quincy	Gadsden County	2001-C/IC-M-01-3 - No Reconciliation of Inventory: The City conducted a periodic physical inventory of property and equipment both for the enterprise and general government operations. However, the results of the physical count were not reconciled to the listings maintained at the property section and to the book balances. Also, the City did not prepare fixed asset schedules to support the computation of the monthly depreciation expenses recorded in the books, and, in the City's annual physical count of property and equipment, the City did not include its land, buildings, and improvements. (See PDF Pages 105-106 of 106)	SD	2015 (FY 2011-12)	This item has not been addressed yet because the City has not had the number of qualified staff to do the reconciliation. As the finance director has reviewed the records, it may take a couple of years, with current staff, to take the existing capital asset listing, reconcile it to the physical assets, and then record it on the general ledger. This issue will not be completely resolved in 2015.	Yes
		2004-IC-M-04-06 - Customer Deposits Not in Cash Account: Customers' deposits were not reflected in the general ledger by means of an actual pool cash account. (See PDF Pages 104-105 of 106)	SD	N/A	N/A	Yes
		2005-C-M-1 - Loan Compliance Not Met: Certain compliance requirements relating to the Drinking Water State Revolving Loan Fund Agreement were not met. In addition, the requirements pertaining to the 2011 Series Issuance were not met regarding continuing disclosures and submissions of financial statements within 12 months. (See PDF Page 104 of 106)	SD	2015 (FY 2011-12)	The City made the appropriate transfers to its debt service account and made its debt payments. The FY 2014 Financial Report was issued on 6/30/15 and will be filed in time. This issue will be resolved in FY 2015.	Yes

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City of Quincy (continued)	Gadsden County (continued)	2005-C-M-2 - Loan Compliance Not Met: Certain compliance requirements relating to the Sewer State Revolving Loan Fund Agreement were not met. (See PDF Page 104 of 106)	SD	2015 (FY 2011-12)	Although the City made all its debt service payments and makes monthly transfers to a debt service account, the City may not have complied with all conditions of the loan. This issue may take a couple of years to resolve.	Yes
		2009-C-11-09 - Uniform Chart of Accounts: The City does not consistently use the functional codes established by the State nor are they updated or monitored to comply with the State requirements on a yearly basis; however, the City has used the correct fund numbers and individual expenditure codes. (See PDF Page 104 of 106)	SD	N/A	N/A	Yes
		2010-IC-IM-10-01 - No Filing of Annual QPD to State: The City did not file the annual Qualified Public Depositor (QPD) report due to the State of Florida Chief Financial Officer as required. (See PDF Page 103 of 106)	SD	2015 (FY 2011-12)	The QPD for fiscal year 2014 was filed three days late, on 12/3/2014; the new Finance Director started 12/1/2014. The November 30th deadline is set up as an Outlook take for two staff members. This issue has been resolved in 2015.	Yes
		2010-IC-IM-10-02 - Accounts Receivable Not Monitored: Accounts receivable balances are not monitored throughout the year. The reports produced for audit were not able to agree to the trial balance or one another. (See PDF Page 103 of 106)	SD	2015 (FY 2011-12)	The City now produces a monthly aged utility accounts receivable report which is submitted to the City Commission. For FY 2014, a conservative approach was taken; if an amount owed had not been collected within 60 days, the receivable was not recorded, and the bad debt expense was increased. A formal process of writing off bad debt will be fully implemented by the end of FY 2015.	Yes
		2011-C/IC-11-08 - No Inventory of Property: The annual inventory of property has not been performed for the current fiscal year. (See PDF Page 103 of 106)	SD	N/A	N/A	Yes

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City of Quincy (continued)	Gadsden County (continued)	2011-IC-MW-11-01 - Lack of Segregation of Duties: There was a lack of segregation of duties between the recording, authorization, custody, and reconciliation of transactions in the financial accounting and human resources functions. Current processes are subject to override due to lack of segregation of duties in the Finance Department. (See PDF Page 101 of 106)	SD	N/A	N/A	Yes
		2011-IC-MW-11-02 - Accounts Not Reconciled: The City does not follow a process of reconciling account balances on a regular basis. The majority of accounts, including several with significantly material balances, had not been reconciled or recorded for more than nine months after fiscal year end. Also, several journal entries were not posted accurately or timely. (See PDF Page 102 of 106)	SD	N/A	N/A	Yes
		2011-IC-MW-11-03 - No Process for Internal Control Over Financial Reporting: The City does not have a formal process which establishes internal controls over financial reporting to ensure proper presentation and disclosure of the financial reports. (See PDF Page 102 of 106)	SD	N/A	N/A	Yes
		2011-IC-SD-11-04 - Lack of Supervisory Review Over Employee Benefits: There was a lack of supervisory level controls over employee elections and contributions. (See PDF Page 102 of 106)	SD	N/A	N/A	Yes
		2012-IC-02 - Daily Cash Collections: The City's processes with collecting, handling, and recording cash received lacked of supervisory review. The total amount of cash collected for the day did not match the total cash deposited. (See PDF Page 101 of 106)	SD	N/A	N/A	Yes

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City of Quincy (continued)	Gadsden County (continued)	2012-IC-04 - Lack of Segregation of Duties: There was a lack of segregation of duties between entering, approving and printing checks. Access control within the application allowed several employees to perform all duties related to entering and printing checks. (See PDF Page 101 of 106)	SD	N/A	N/A	Yes
Town of Reddick	Marion County	ML 2012-2 - Investments: The Town is not in compliance regarding the continuing education requirement related to responsible officials and the investment of public funds. (See PDF Page 27 of 34)	N/A	N/A	N/A	Yes
Town of Sneads	Jackson County	00-1 - Fixed Assets: The Town's capital asset records are materially accurate related to cost, date acquired and description. However, they do not provide sufficient required information related to source of funds, restrictions, etc. The deficiency could result in improper use or disposal of equipment or property, possibly in violation of law. (See PDF Page 53 of 66)	SD	2015 (FY 2012-13)	The Town understands, however this would require many hours of work and the Town does not have the personnel or resources as of this time to complete.	Yes
		2012-1 - Purchase Orders: The Town has been getting much better at using purchase orders to track various purchases. However, there were a few items where the purchase order was not dated, or the purchase order was dated after the date of the associated invoice. (See PDF Page 59 of 66)	N/A	N/A	N/A	Yes
City of South Bay	Palm Beach County	2013-01 - Capital Assets - Buildings and Facilities: The City has failed to upkeep and maintain certain buildings and facilities; they have been neglected and are run down. Management needs to implement procedures to provide some basic maintenance to the City's buildings and facilities. (See PDF Page 44 of 47)	SD	2015 (FY 2012-13)	The City has allocated an estimated cost by inventory and conducted internal assessment of capital assets to safeguard and maintain future auditing of City property. Commencing FY 2015-16, the City ensures capital assets will be maintained and safeguarded as enterprising development expansion will help preserve capital improvement.	Yes

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City of St. Cloud	Osceola County	2014-2 - Stevens Plantation Dependent Special District: The District is included as a blended component unit in the accompanying government-wide financial statements of the City. Review of the financial condition of the District indicates that there are several issues management needs to continue to address, including \$4,460,000 of bonds payable currently in default. Management should continue to work with legal and bond counsel to resolve these issues addressing the financial stability and legal liability associated with the indebtedness associated with the District including its relationship with the Stevens Plantation Community Development District. (See PDF Pages 174-175 of 179)	N/A	N/A	N/A	Yes
City of Valparaiso	Okaloosa County	2014-1 - Utility Deposits Payable: The subledger of utility deposits by customer did not reconcile to the utility deposit payable or restricted meter deposit cash account in the City's general ledger at September 30, 2014, 2013, and 2012. (See PDF Page 63 of 66)	SD	N/A	N/A	Yes
		2014-2 - OPEB Reporting: The City has not engaged in an actuary to perform an analysis of other post-employment benefit (OPEB) liability since retirees can participate in their medical insurance plan paying full rates. (See PDF Page 66 of 66)	N/A	2015 (FY 2012-13)	The City believes this finding will never be fully resolved as the costs to obtain the actuarial valuation do not align with the benefit to the City. The City will continue to monitor the number of retirees that participate and, if there is a significant change in participation, then the City Commission will readdress the finding.	Yes
City of Wauchula	Hardee County	2012-2 - Meter Readings: The Finance Director uploads the meter readings from the hand-held equipment to the utility database. The Finance Director also has access to the system to post adjustments. (See PDF Page 83 of 86)	N/A	N/A	N/A	Yes

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City of West Miami	Miami-Dade County	2010-1 - Restricted Cash and Customer Deposits: The City did not have sufficient cash and/or deposits in the Water System Enterprise Fund to restrict for customer deposits. However, due to previous years' increases in water rates, the City has improved conditions in the water system fund by generating an increase in net position during FY 2011-12 through FY 2013-14. (See PDF Pages 66-67 of 67)	N/A	2015 (FY 2012-13)	The net position has increased in the Water System Fund over the last three years and improvements continue to be made to address the shortage of cash and investments. Due to the size of the City and the timing of funding received throughout the year, it remains difficult to maintain cash and investments in this fund of the required customer deposit amount. We expect this finding will be corrected for FY 2014-15.	Yes
City of Williston	Levy County	2010-5 - Airport Fund: The Airport Fund has a deficit balance at fiscal year-end; this deficiency was created by expenditures utilized to match the state grants in prior years that were not properly funded for in the budget. (See PDF Page 80 of 82)	N/A	2015 (FY 2012-13)	The City was able to improve the cash flow of the airport fund and eliminate the deficit fund balance in the beginning of FY 2014-15.	Yes
City of Winter Haven	Polk County	2014-004 - Utility Billing: Utility billing rates were incorrectly charged to various customers during the year. (See PDF Page 187 of 193)	SD	2015 (FY 2012-13)	Describes steps taken to eliminate finding. The City continues to monitor Utility Billing rates by randomly selecting multiple accounts each week and reviewing them for accuracy.	Yes
Town of Worthington Springs	Union County	11-1 - Deficiency in Internal Control: There is still a lack of segregation of duties between employees who have recordkeeping responsibilities and employees with custody of Town assets. (See PDF Page 36 of 41)	N/A	N/A	N/A	Yes

FOOTNOTE/LEGEND:

1. Most of these audits have been conducted by private certified public accountants, as required by Section 218.39(1), Florida Statutes.
2. **Material Weakness (MW)**: a deficiency, or combination of deficiencies, in internal control such that there is reasonable possibility that one of the following will not be prevented, or detected and corrected, on a timely basis:
 - a. a material misstatement of the entity's financial statements, or
 - b. material noncompliance with a type of compliance requirement.

For example, a deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement on a timely basis.

The severity of the deficiency would determine whether it should be classified as a material weakness, a significant deficiency, or an additional matter.

3. **Significant Deficiency (SD)**: less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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Town of Alford	Jackson County	2007-02 - Separation of Duties: Separation of certain accounting and administrative duties among employees, which is recommended as an effective internal control procedures, was not adequate. (See PDF Page 39 of 47)	MW	2013 (FY 2010-11)	Very small rural community with very limited budget and staff; describes some procedures implemented to compensate.	No
		2007-03 - Preparation of Generally Accepted Accounting Principles (GAAP) Based Financial Statements: The Town has a capable individual providing bookkeeping services; however, the Town does not have an individual on staff with the accounting education and experience to properly record more complex accounting transactions and prepare financial statement in accordance with GAAP. (See PDF Page 40 of 47)	MW	2013 (FY 2010-11)	States that, due to budget constraints, finding will never be fully resolved; not financially feasible to hire staff with necessary expertise.	No
Town of Altha	Calhoun County	2013-002 - Separation of Duties: Although the size of the Town's accounting staff prohibits complete adherence to the premise that one employee should not have access to both physical assets and the related accounting records or to all phases of a transaction, certain practices could be implemented to improve existing internal controls without impairing efficiency. These practices include a responsible official reviewing all checks and related source documents before signing checks. (See PDF Pages 39- 40 of 53)	MW	2013 (FY 2010-11)	Describes some procedures implemented to compensate.	No
		2013-005 - Preparation of Generally Accepted Accounting Principles (GAAP) Based Financial Statements: Financial statements were submitted to the auditor by management that were generated as a by-product of the bookkeeping system. The auditors proposed certain material adjustments to the financial statements, drafted both the financial statements and required note disclosures, and submitted the draft to management for approval. (See PDF Page 41 of 53)	MW	2014 (FY 2011-12)	This is due to the nature and size of the Town, it will not be practical for the staff to prepare financial statements in accordance with generally accepted accounting principles. We do expect to have some help at least at year end to do most of the significant adjustments.	No

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City of Apalachicola	Franklin County	14-01 - Segregation of Duties: Due to small number of accounting staff, the City does not have proper segregation of duties in many areas. The City Clerk currently has the ability to issue and approve cash disbursements; reconcile the cash account; input, edit, and approve accounting journal entries; and prepare the financial information. (See PDF Page 64 of 65)	MW	2013 (FY 2010-11)	Limited number of employees; Duties continually reviewed by City administration in an effort to improve controls.	No
		14-02 - Significant Adjustments to the Financial Records: Adjustments were needed in order for the financial statements to conform with generally accepted accounting principles. (See PDF Page 64 of 65)	MW	2014 (FY 2011-12)	It is not considered practical or economically feasible for the City to invest in the substantial resources that would be required for staff to produce financial statements that require no proposed audit adjustments; provides specifics regarding such resources.	No
Town of Bell	Gilchrist County	2009-1 - Financial Statement Preparation: The Town is not capable of drafting the financial statements and all required footnote disclosures in accordance with generally accepted accounting principles, and it does not have the expertise necessary to prevent, detect, and correct misstatements. (See PDF Pages 36-37 of 42)	SD	2015 (FY 2012-13)	The Town is a very small government and has used available resources to employ a competent accountant who maintains excellent accounting records and provides monthly financial reports prepared generally on the cash basis. The Town uses an audit firm to utilize these records and prepare annual financial statements. Both staff and Town Council review the reports and formally present it at a scheduled meeting of the Town Council.	No
City of Blountstown	Calhoun County	06-01 - Segregation of Duties: Separation of certain accounting and administrative duties among employees was not considered feasible by the City because of its size and limited number of employees. (See PDF Page 69 of 71)	SD	2013 (FY 2010-11)	Size of City and staff not sufficient; cost/benefit ratio far too great to employ more personnel; have implemented some procedures to compensate.	No

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City of Blountstown (continued)	Calhoun County (continued)	07-01 Deficiency Over Financial Reporting: The City has a capable individual providing bookkeeping services; however, the City does not have an individual on staff with the accounting education and experience to properly record more complex accounting transactions and prepare financial statements in accordance with generally accepted accounting principles. (See PDF Page 69 of 71)	SD	2013 (FY 2010-11)	Size of City and staff not sufficient; City staff doesn't have expertise or resources to prepare financial statements.	No
City of Bonifay	Holmes County	2010-03 - Analysis of Financial Condition Assessment: The City ended the fiscal year with a deficit in unrestricted net assets for governmental activities and a larger deficit fund balance in the general fund than in the previous fiscal year. (See PDF Pages 58-59 of 61)	N/A	2013 (FY 2010-11)	Management is keenly aware of budget constraints facing the City; closely monitoring expenditures, etc.	No
		2010-01 - Financial Statement Preparation Knowledge: Management's lack of knowledge and familiarity with Governmental Accounting and Financial Accounting Standards prohibits the City's personnel from being able to prepare financial statements and note disclosures as required by those standards. (See PDF Page 58 of 61)	MW	2013 (FY 2010-11)	Sufficient revenue not generated to warrant hiring accountant with such skill level.	No
City of Bradenton Beach	Manatee County	2010-1 - Segregation of Duties: The City has an employee who has access to the general ledger system and is also an authorized check signer, which creates a lack of separation of duties. The City does have mitigating controls in place by using dual signatures on checks and a review of financial statements by department head and the City Commission. (See PDF Pages 37-38 of 41)	N/A	2015 (FY 2012-13)	The City recognized that segregation of duties is essential and makes every effort to comply with recommended practices. The City Commissioners, along with the Mayor, have segregated the duties with the Finance Department as much as deemed cost effective for the City. Describes various controls in place to compensate.	No

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Town of Branford	Suwannee County	2010-1 - Financial Statement Preparation: The Town does not have the expertise necessary to draft the financial statements and all required footnote disclosures in accordance with generally accepted accounting principles. (See PDF Pages 53-54 of 59)	SD	2014 (FY 2011-12)	We are a very small government and have used our available resources to hire a competent bookkeeper. We do not believe it would be a justifiable expense to employ another accountant on either a part-time or full-time basis to prepare the annual financial statements.	No
City of Bristol	Liberty County	2014-01 - Prepare Financial Statements in Accordance with Generally Accepted Accounting Principles (GAAP) and Significant Adjustments: Financial statements provided to auditors were generated as a by-product of bookkeeping system. Auditors proposed certain material adjustments to the financial statements, drafted financial statements and related note disclosures required by auditing standards and submitted draft to management for approval. (See PDF Page 41 of 47)	MW	2013 (FY 2010-11)	Due to nature and size of city, it would be cost prohibitive to engage separate accounting firm to draft financial statements and related notes.	No
Town of Bronson	Levy County	2009-1 - Segregation of Duties: Separation of certain accounting and administrative duties among employees was not considered possible because of the limited number of employees. (See PDF Page 31 of 36)	MW	2013 (FY 2010-11)	States that one additional staff added in 2012 and procedures implemented to compensate.	No
City of Bushnell	Sumter County	2008-2 - Segregation of Duties: The City operates a small finance, accounting, and customer service department and does not have the resources to properly segregate duties among employees so that no one employee has sole control over approving, recording, and accounting for transactions. (See PDF Page 113 of 121)	SD	2014 (FY 2011-12)	The City did not have sufficient resources to properly segregate duties in finance area in FY 2012-13. An additional employee was transferred to finance at the beginning of FY 2013-14 and assigned duties that would allow proper segregation. However, due to a finance staff illness and subsequent reassignment of some duties, some segregation of duties was eliminated.	No
Town of Callahan	Nassau County	2014-001 - Separation of Duties: Since the Town has a limited number of personnel, it is not always possible to adequately separate incompatible duties so that no one individual has access to both physical assets and the related accounting records or to all phases of a transaction. (See PDF Page 39 of 40)	MW	2013 (FY 2010-11)	Due to limited staff, not always possible to separate incompatible duties; have separated whenever possible to minimize impact of control deficiency.	No

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Town of Callahan (continued)	Nassau County (continued)	2014-002 - Financial Reporting: The auditors assisted in the preparation of the financial statements and proposed material adjustments to the Town's financial statements. (See PDF Page 39 of 40)	MW	2013 (FY 2010-11)	States that measures put in place to ensure all financial activity is captured in accounting records; does not address preparation of financial statements though.	No
Town of Campbellton	Jackson County	04-01 - Separation of Duties: Custody of assets, recordkeeping, and recording of assets should have adequate separation. Due to the size of the Town, proper separation of duties may not be feasible. (See PDF Page 45 of 52)	SD	2013 (FY 2010-11)	Due to budget constraints in a small rural town; describes controls added and procedures implemented to compensate.	No
		07-01 - Financial Reporting: The Town relies on the external auditor to assist with preparing and explaining financial statements in conformity with generally accepted accounting principles. It does not have someone on staff to prepare such. (See PDF Pages 45-46 of 52)	MW	2013 (FY 2010-11)	Due to budget constraints in a small rural town, Town does not have resources to train personnel or pay a second auditor to do final preparation of financial statements prior to audit.	No
City of Carrabelle	Franklin County	14-01 - Prepare Financial Statements in Accordance with Generally Accepted Accounting Principles (GAAP) and Significant Adjustments: There was no one on staff with sufficient knowledge to prepare GAAP-based financial statements. As a result, certain material adjustments were required to be made to the accounting records during the audit process. (See PDF Page 48 of 57)	MW	2013 (FY 2010-11)	City will continue to use outside auditor due to cost issues.	No
		14-02 - Segregation of Duties: Due to the size of the City's accounting staff, it is not possible to completely separate incompatible duties so that no one individual has access to both physical assets and the related accounting records or to all phases of a transaction. However, the auditors recommended certain practices that could be implemented to improve internal controls without impairing efficiency, such as cash receipts deposited intact daily. (See PDF Pages 48-49 of 57)	MW	2013 (FY 2010-11)	Indicates that city has separated duties, such as receiving and depositing cash and opening mail.	No

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City of Cedar Key	Levy County	2009-1 - Separation of Duties: The City's limited number of available personnel does not always make it possible to adequately separate certain incompatible duties so that no one employee has access to both physical assets and the related accounting records, or to all phases of a transaction. (See PDF Page 36 of 40)	SD	2013 (FY 2010-11)	City implementing new bookkeeping system to help alleviate this problem; added a receptionist position also.	No
City of Chiefland	Levy County	2014-001 - Separation of Duties: The City's limited number of available personnel does not always make it possible to adequately separate certain incompatible duties so that no one employee has access to both physical assets and the related accounting records, or to all phases of a transaction. (See PDF Page 47 of 50)	MW	2013 (FY 2010-11)	States that it's not cost beneficial to hire additional staff; have adopted review and control oversight procedures by management and city commission, where possible.	No
City of Clewiston	Hendry County	2009-1 - Internal Control Over Financial Reporting: The City does not currently have professional personnel capable of preparing the financial statements and who have the skills and competencies necessary to prevent, detect, and correct a material misstatement on the financial statements. (See PDF Page 84 of 90)	MW	2013 (FY 2010-11)	Due to limited financial resources and fiscal staffing, may not be resolved in the foreseeable future; have implemented compensating controls where possible.	No
City of Coleman	Sumter County	2014-1 - Improve Knowledge of Internal Control Over Financial Reporting: The person responsible for the accounting and reporting function lacks the skills and knowledge to apply generally accepted accounting principles in recording the City's financial transactions or preparing its financial statements. (See PDF Page 57 of 61)	SD	2013 (FY 2010-11)	Indicates that cost vs. benefit evaluation made and in city's best interest to outsource this task to outside auditors; not possible to afford salary of a qualified individual.	No
		2014-3 - Lack of Separation of Duties: The small size of the City's accounting staff precludes certain internal controls and separation of duties afforded by a larger staff. The Financial and Operations Manager performs all of the accounting tasks. (See PDF Page 57 of 61)	SD	2013 (FY 2010-11)	Limited personnel and resources; describes some procedures that have been implemented to compensate.	No

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City of Cottdale	Jackson County	03-1 - Separation of Duties: The City has not designed their internal control system to include sufficient separation of duties. Staff members having custody of accounting records also have access to assets. (See PDF Page 55 of 69)	SD	2013 (FY 2010-11)	Describes some procedures implemented to compensate.	No
		07-1 - Financial Reporting: The City relies on the external auditor to assist with preparing and explaining financial statements in conformity with generally accepted accounting principles. (See PDF Pages 55-56 of 69)	MW	2013 (FY 2010-11)	The City does not have an internal auditor; other options reviewed, but not cost effective to hire additional auditor to prepare documents for current auditor.	No
Town of Cross City	Dixie County	2014-001 - Separation of Duties: Because of a limited number of available personnel, it is not always possible to adequately separate certain incompatible duties so that no one employee has access to both physical assets and the related accounting records. (See PDF Page 44 of 46)	MW	2013 (FY 2010-11)	The Town is working to ensure all appropriate controls are adhered to; due to limited staff, finding may never be fully resolved.	No
City of Fellsmere	Indian River County	2014-001 - Segregation of Duties/Audit Adjustments: Due to the small size of the City, the City lacks a sufficient number of accounting personnel in order to ensure a complete segregation of duties within its accounting function. The City has several accounting functions that are performed by the same individual and are not subject to a documented independent review and approval. The financial reporting process is impacted as journal entries are the primary method of recording transactions into the general ledger. (See PDF Page 88 of 90)	SD	2013 (FY 2010-11)	Not likely to improve in the near future.	No
Town of Fort White	Columbia County	2011-1 - Financial Statement Preparation: The Town staff does not have the expertise and is not capable of drafting the financial statements and all required footnote disclosures in accordance with generally accepted accounting principles. (See PDF Pages 43-44 of 53)	SD	2015 (FY 2012-13)	Due to the size of the Town, we do not believe it would be a justifiable expense to employ another accountant on either a part-time or full-time basis to prepare the annual financial statements. We will continue to monitor this situation in the future.	No

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Town of Glen Saint Mary	Baker County	2014-001 - Separation of Duties: Because of the limited number of available accounting personnel, it is not always possible to adequately separate certain incompatible duties so that no one employee has access to both physical assets and the related accounting records, or to all phases of a transaction. (See PDF Page 37 of 38)	MW	2013 (FY 2010-11)	Due to budget constraints and small size of Town and staff, Town Council gets copies of check registers each month to review.	No
		2014-002 - Financial Reporting: The auditors identified misstatements during the audit process that required material adjustments to the financial statements. Also, it was necessary for the auditors to assist with the preparation of the financial statements. (See PDF Page 37 of 38)	MW	2014 (FY 2011-12)	Due to budget constraints it is not feasible to have someone on staff with the knowledge and experience to correctly prepare the financial statements.	No
City of Graceville	Jackson County	2006-01 - Separation of Duties: Custody of assets, recordkeeping, and recording of assets should be adequately separated; however, due to the City's size, proper separation of duties may not be feasible. (See PDF Page 51 of 59)	SD	2013 (FY 2010-11)	City will continue to operate w/ as much separation of duty as can be achieved w/ limited staff available.	No
		2007-01 - Financial Reporting: The City relies on the external auditor to assist with preparing and explaining financial statements in conformity with generally accepted accounting principles. (See PDF Page 51 of 59)	MW	2013 (FY 2010-11)	City currently has no plan of hiring additional staff or outside consulting due to budget constraints.	No
Town of Grand Ridge	Jackson County	14-01 - Prepare Financial Statements in Accordance with Generally Accepted Accounting Principles (GAAP) and Significant Adjustments: Financial statements that were generated as a by-product of the accounting system were submitted to the auditors by management. The auditors proposed certain material adjustments to these financial statements as a result of the audit, drafted the final financial statements, drafted the disclosures required by professional standards and submitted the draft to management for approval. (See PDF Page 38 of 43)	MW	2013 (FY 2010-11)	States that it would be cost prohibitive to engage another accounting firm to draft financial statements and related disclosures.	No

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Town of Greensboro	Gadsden County	2014-01 - Preparation of Financial Statements in Accordance with Generally Accepted Accounting Principles (GAAP): A key element of financial reporting is the ability of management to select and apply the appropriate accounting principles to prepare the financial statements in accordance with GAAP. The Town had no one on staff with sufficient knowledge to prepare GAAP-based financial statements. (See PDF Page 38 of 44)	MW	2013 (FY 2010-11)	One-person clerical staff & limited resources; not able to hire staff with such expertise.	No
		2014-02 - Segregation of Duties: The same person within the accounting department handled cash and checks, posted receipts and disbursements to the general ledger, and prepared bank reconciliations. (See PDF Page 38 of 44)	MW	2013 (FY 2010-11)	One-person clerical staff & limited resources; some compensating controls.	No
Town of Greenville	Madison County	2014-01 - Significant Adjustments and Preparation of Financial Statements: Financial statements that were generated as a by-product of the accounting system were submitted to the auditors by management. The auditors proposed certain material adjustments to these financial statements as a result of the audit, drafted the final financial statements, drafted the disclosures required by professional standards, and submitted the draft to management for approval. (See PDF Page 43 of 49)	MW	2013 (FY 2010-11)	States that town cannot feasibly prepare or hire another firm to prepare financial statements due to limited funds and staff.	No

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Town of Greenville (continued)	Madison County (continued)	2014-02 - Segregation of Duties: One employee should not have access to both physical assets and the related accounting records or to all phases of a transaction. Although the size of the Town's accounting staff prohibits complete adherence to this concept, certain practices could be implemented to improve existing internal controls without impairing efficiency. These include depositing cash receipts intact daily and having someone other than employees maintaining cash records receiving bank statements and canceled checks. (See PDF Pages 43-44 of 49)	MW	2015 (FY 2012-13)	Due to the limited staffing, the Town cannot feasibly have complete segregation of duties. The Town has put into place practices that should help in this area.	No
Town of Greenwood	Jackson County	05-01 - Segregation of Duties: Separation of certain accounting and administrative duties among employees, which is recommended as an effective internal control procedures, was not adequate. This is due to the limited number of employees and certain incompatible duties being performed by the same employee. (See PDF Page 34 of 41)	MW	2013 (FY 2010-11)	Small town – not feasible to hire additional staff; describes some procedures implemented to compensate.	No
		07-01 - Preparation of Generally Accepted Accounting Principles (GAAP) Based Financial Statements: The Town has a capable individual providing bookkeeping services; however, the Town does not have an individual on staff with the accounting education and experience to properly record more complex accounting transactions and prepare financial statements in accordance with GAAP. Management relies on an outside auditor to prepare their annual financial statements including the note disclosures. (See PDF Page 34 of 41)	MW	2013 (FY 2010-11)	States that town doesn't have expertise or resources to prepare annual financial statements as required.	No

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Town of Hastings	St. Johns County	2014-001 - Separation of Duties: Because of the limited number of available accounting personnel, it is not always possible to adequately separate certain incompatible duties so that no one employee has access to both physical assets and the related accounting records, or to all phases of a transaction. (See PDF Page 39 of 40)	MW	2013 (FY 2010-11)	Due to limited staff, difficult to separate duties; have implemented some procedures to compensate.	No
		2014-002 - General Accounting Records: As part of the audit process it was necessary for the auditors to assist with the preparation of the Town's financial statements, enabling the financial statements to be fairly presented in conformity with generally accepted accounting principles. (See PDF Page 39 of 40)	MW	2013 (FY 2010-11)	Have evaluated cost/benefit and determined that, due to limited budget and staff, it's in town's best interest to outsource task to independent auditors.	No
Town of Hilliard	Nassau County	2009-1 - Financial Statement Preparation: The Town does not have a system of internal controls that would enable management to conclude the financial statements and related disclosures are complete and presented in accordance with generally accepted accounting principles (GAAP). As such, management requested the auditors to prepare a draft of the financial statements, including journal entries to report financial information in accordance with the GAAP and including the related footnote disclosures. (See PDF Pages 61-62 of 69)	MW	2013 (FY 2010-11)	Describes procedures implemented to address internal controls issue; however, due to Town's small size, it was a cost-benefit decision to outsource services and rely on auditors' financial expertise rather than incurring internal resource cost to hire staff with such expertise.	No
Town of Horseshoe Beach	Dixie County	2011-1 - Financial Statement Preparation: The Town is not capable of drafting the financial statements and all required note disclosures in accordance with generally accepted accounting principles. The Town also does not have the expertise necessary to prevent, detect, and correct misstatements in the financial statements and related notes. (See PDF Pages 46-47 of 52)	SD	2014 (FY 2011-12)	We are a very small government and have used our available resources to hire a competent bookkeeper. We do not believe it would be a justifiable expense to employ another accountant on either a part-time or full-time basis to prepare the annual financial statements.	No

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Town of Howey-in-the-Hills	Lake County	2014-001 - Financial Reporting: The auditors proposed material adjustments to the Town's financial statements. It was also necessary for the auditor to assist with the preparation of the financial statements and propose adjustments to those statements. (See PDF Page 50 of 51)	MW	2013 (FY 2010-11)	The Town will continue to evaluate cost/benefit of adding staff; cannot financially commit at current time.	No
Town of Inglis	Levy County	2014-001 - Separation of Duties: Because of the limited number of available accounting personnel, it is not always possible to adequately separate certain incompatible duties so that no one employee has access to both physical assets and the related accounting records, or to all phases of a transaction. (See PDF Page 42 of 44)	MW	2013 (FY 2010-11)	Small town with one person performing accounting responsibilities; not cost beneficial to hire additional staff; have implemented review and oversight procedures where possible to compensate.	No
Town of Interlachen	Putnam County	2007-01 - Preparation of Financial Statements: The Town's internal control system over financial reporting does not currently provide for preparation of financial statements, including note disclosures, in accordance the generally accepted accounting principles (GAAP). The Town's resources are limited and the auditors provide preparation and review assistance related to the financial statements and related note disclosures to comply with GAAP. (See PDF Page 41 of 46)	SD	2013 (FY 2010-11)	Town started using an accounting consultant re: various accounting related topics; will continue to look for additional mitigating procedures to address finding.	No
City of Jacob City	Jackson County	2014-001 - Segregation of Duties: The City did not have enough personnel to adequately implement the separation of incompatible duties. (See PDF Page 30 of 31)	MW	2013 (FY 2010-11)	Due to limited budget and staff, may never be able to fully separate duties to eliminate finding; have implemented some procedures to compensate.	No
		2014-002 - Audit Adjustments: Certain audit adjustments were proposed relating to the posting and reversing of year-end accruals that were material to the overall financial statements. (See PDF Page 30 of 31)	MW	2013 (FY 2010-11)	Due to budget constraints, may never be able to fully resolve finding; cannot afford to hire staff with sufficient accounting background to be able to comply with complex accounting rules.	No

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Town of Jay	Santa Rosa County	07-1 - Segregation of Duties: The Town office/accounting staff is limited to two employees who are under the direction of the Town Clerk. The Town Clerk's office and Town Council have instituted procedures where they believe checks and balances exist to the greatest extent possible. (See PDF Page 38 of 43)	SD	2013 (FY 2010-11)	Due to limited staff, may never be able to fully separate duties to eliminate finding; have implemented some procedures to compensate.	No
Town of Jennings	Hamilton County	14-01 - Inadequate Segregation of Accounting Duties Among Personnel: Certain functions are not segregated including collection/deposit of cash and recording of cash receipts and general ledger; cash receipts/disbursements and preparation of bank reconciliation; accounts payable and recording of general ledger and payroll processing and general ledger due to limited staff size. (See PDF Page 64 of 66)	MW	2013 (FY 2010-11)	Due to limited staff, may never be able to fully separate duties to eliminate finding; have implemented some procedures to compensate.	No
		14-02 - Inadequate Design of Internal Controls over the Preparation of Financial Statements in Accordance with Generally Accepted Accounting Principles (GAAP): There was no one on staff with the sufficient knowledge to prepare GAAP-based financial statements. Certain adjustments were required to be made to the accounting records subsequent to the start of the auditing process, and management requested the auditors to prepare a draft of the financial statements, including the related footnote disclosures. (See PDF Page 64 of 66)	SD	2013 (FY 2010-11)	Staff doesn't have sufficient knowledge to prepare GAAP-based financial statements; rely on assistance from external auditors.	No
City of LaBelle	Hendry County	2009-1 - Internal Controls Over Financial Reporting: The City does not currently have the professional personnel needed to meet the requirements of Statement on Auditing Standards Number 115 (lack skills and competencies necessary to prevent, detect, and correct a material misstatement in its financial statements). (See PDF Page 81 of 88)	MW	2013 (FY 2010-11)	Due to limited resources and fiscal staffing, may never be able to fully resolve finding; auditors have helped staff learn how to calculate and create a majority of year-end adjustments needed for financial statements.	No

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City of Lake Butler	Union County	2009-1 - Financial Statement Preparation: The City is not capable of drafting the financial statements and all required note disclosures in accordance with generally accepted accounting principles. The City also does not have the expertise necessary to prevent, detect, and correct misstatements in the financial statements and related notes. (See PDF Pages 54-55 of 60)	SD	2014 (FY 2011-12)	We are a very small government and have used our available resources to hire a competent bookkeeper. We do not believe it would be a justifiable expense to employ another accountant on either a part-time or full-time basis to prepare the annual financial statements.	No
Town of Lake Hamilton	Polk County	2009-1 - Separation of Duties: There is a lack of separation of duties. Administrative personnel continue to perform conflicting duties due to a limited number of personnel. (See PDF Page 42 of 53)	MW	2013 (FY 2010-11)	Due to limited staff and lack of funding - may never be able to fully separate duties to eliminate finding.	No
City of Lawtey	Bradford County	2014-1 - Separation of Duties: Due to limited personnel, the City does not adequately separate the duties in the accounting department. The same employee should not have access to both physical assets and the related account records. (See PDF Pages 32 & 35 of 44; Also see Addendum to the Management Letter, PDF Page 1 of 1)	SD	2013 (FY 2010-11)	Due to limited personnel and limited financial resources, the City doesn't have sufficient staff to adequately separate duties; have implemented some procedures to compensate.	No
		2014-2 - Financial Reporting: The City does not have someone on staff to prepare the financial statements including disclosure in accordance with generally accepted accounting principles and to record complex adjustment resulting in a significant deficiency under professional standards. (See PDF Pages 32 & 35 of 44; Also see Addendum to the Management Letter, PDF Page 1 of 1)	SD	2013 (FY 2010-11)	States that it would be a financial hardship to hire someone to perform such duties; current approach is most cost effective one for the City.	No
City of Macclenny	Baker County	2014-01 - Separation of Duties: Because of the limited number of available accounting personnel, it is not always possible to adequately separate certain incompatible duties so that no one employee has access to both physical assets and the related accounting records, or to all phases of a transaction. (See PDF Page 52 of 54)	MW	2013 (FY 2010-11)	Due to limited financial resources, the City doesn't have sufficient staff to adequately separate duties; have implemented new financial software, as well as some procedures to compensate; may never be resolved due to limited staff.	No

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City of Macclenny (continued)	Baker County (continued)	2014-02 - Financial Reporting: As part of the audit process, an external auditor assisted with the preparation of the financial statements and proposed material adjustments to the City's financial statements. (See PDF Page 52 of 54)	MW	2013 (FY 2010-11)	Will continue to train key personnel responsible for financial statement preparation; believe that new software implemented will make some adjustments easier for staff to prepare; may never be resolved due to limited staff.	No
Town of Malone	Jackson County	04-01 - Separation of Duties: Custody of assets, recordkeeping, and recording of assets should have adequate separation. Internal controls lack proper checks and balances due to the size of the Town. (See PDF Page 43 of 52)	SD	2013 (FY 2010-11)	Due to small staff and limited resources; mayor and town council are actively involved and will continue to be involved.	No
		07-1 - Financial Reporting: The Town relies on the external auditors to assist with preparing and explaining financial statements in conformity with generally accepted accounting principles (GAAP). (See PDF Page 43 of 52)	MW	2013 (FY 2010-11)	Limited resources; not cost effective for Town to prepare financial statements in accordance with GAAP.	No
City of Marianna	Jackson County	03-01 - Separation of Duties: There is a lack of separation of duties between employees who have recordkeeping responsibilities and employees in custody of City assets. (See PDF Page 81 of 82)	SD	2013 (FY 2010-11)	Due to financial pressures and lack of funding, cost/benefit ratio is far too great to employ more personnel to adequately separate duties; have implemented procedures to compensate.	No
Town of Mayo	Lafayette County	2011-1 - Financial Statement Preparation: The Town does not have the expertise necessary to draft the financial statements and required footnotes in accordance to generally accepted accounting principles. (See PDF Pages 44-45 of 50)	SD	2015 (FY 2012-13)	The Town is a very small government with a competent bookkeeper on staff that maintains excellent accounting records and provides accurate monthly financial reports to the Mayor and Town Council. At this time, the Town does not intend to staff a full or part time accountant to prepare the annual financial statements.	No

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Town of Medley	Miami-Dade County	2014-01 - Supervisory Review: Due to the small size of the entity, there is a lack of separation of duties in some accounting and financial reporting functions. Although quarterly financial statements are provided to the Mayor and the Town Council, they are not approved. Journal entries can be prepared, entered, and posted by one individual without review or approval. (See PDF Page 69 of 75)	MW	2013 (FY 2010-11)	Due to small size of finance department, not always practicable to have journal entries reviewed; have implemented some compensating controls.	No
Town of Micanopy	Alachua County	2011-1 - Financial Statement Preparation: The Town does not have the expertise necessary to draft the financial statements and required footnotes in accordance to generally accepted accounting principles. (See PDF Pages 43-44 of 49)	SD	2015 (FY 2012-13)	The Town is a very small government and has used available resources to employ a competent accountant who maintains excellent accounting records and provides accurate financial reports prepared generally on the cash basis. The Town has confidence in the audit firm to utilize these records and prepare annual financial statements. The Town has recently hired a Town Administrator who is a competent accountant and will be able to take responsibility for the financial report preparation and review, which will clear up this finding in the future.	No
City of Monticello	Jefferson County	14-01 - Preparation of Financial Statements: The City is not positioned to draft the financial statements and all required disclosures in accordance with generally accepted accounting principles. The City relies on the external auditors to assist with preparing and explaining financial statements in conformity with generally accepted accounting principles. (See PDF Page 55 of 59)	SD	2013 (FY 2010-11)	No cost benefit for the City to hire a CPA solely for purpose of drafting financial statements ahead of year-end audit procedures.	No
City of Moore Haven	Glades County	2010-001 - Financial Reporting Process: City management requested the external auditors to prepare a draft of the financial statements, including the related notes to the financial statements. (See PDF Page 74 of 79)	MW	2013 (FY 2010-11)	Due to limited resources, the City feels it is cost prohibitive to hire an employee or consultant in order to resolve finding.	No

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City of Moore Haven (continued)	Glades County (continued)	2010-002 - Audit Adjustments: The external auditors proposed audit adjustments to revise the City's books at year-end. These adjustments involved the recording of accruals, reclassifications of revenues and disbursements to the proper accounts, and fund balance reclassifications. (See PDF Pages 74-75 of 79)	MW	2013 (FY 2010-11)	Due to limited resources, the City feels it is cost prohibitive to hire an employee or consultant in order to resolve finding.	No
City of Oak Hill	Volusia County	2009 SD02 - Segregation of Duties: Due to the limited number of staff working with the administrative and finance departments, many of the critical duties are combined and assigned to the available employees. Presently, a single individual performs the majority of the accounting functions. (See PDF Page 60 of 70)	SD	2013 (FY 2010-11)	The City doesn't have the ability to separate accounting functions due to limited staffing and financial resources; will continue to explore options to separate the important finance functions and duties to further strengthen internal controls.	No
Town of Orchid	Indian River County	2014-003 - Segregation of Duties: The Town lacks proper separation of duties in its accounting function due to the small office environment in which it operates. (See PDF Page 41 of 45)	SD	2013 (FY 2010-11)	Due to limited staff (2 full-time and 1 part-time), unlikely that finding will ever be fully resolved; describes procedures implemented to compensate.	No
Town of Otter Creek	Levy County	2011-1 - Financial Statement Preparation: The Town does not have the expertise necessary to draft the financial statements and required footnotes in accordance to generally accepted accounting principles. (See PDF Pages 40-41 of 46)	SD	2015 (FY 2012-13)	The Town is a very small government and has used available resources to employ a competent accountant who maintains excellent accounting records and provides accurate monthly financial reports generally prepared on the cash basis. At this time, the Town does not believe it would be a justifiable expense to employ another accountant on either a part-time or full-time basis to prepare annual financial statements.	No
Town of Palm Beach Shores	Palm Beach County	2009-01 - Segregation of Duties: There is insufficient segregation of duties in the accounting department. (See PDF Page 50 of 52)	N/A	2013 (FY 2010-11)	Small size of staff limits options to separate duties; have implemented procedures to mitigate some of the inherent risk.	No
City of Panama City	Bay County	2007-1 - Segregation of Duties: Component Unit - Panama City Downtown Improvement Board: Due to the limited number of people working in the Board office, many duties are combined and assigned to the available employees. (See PDF Pages 196 & 203 of 208)	SD	2013 (FY 2010-11)	Due to limited staff and funding, separation of duties will always be a concern; describes some procedures implemented to compensate.	No

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City of Paxton	Walton County	2014-01 - Financial Reporting: The City does not have personnel with sufficient knowledge to analyze complex transactions to ensure that all transactions were properly recorded in the accounting records or to prepare financial statements in accordance with generally accepted accounting principles. (See PDF Page 48 of 53)	SD	2014 (FY 2011-12)	The City does not have anyone on staff to prepare GAAP-based financial statements. With the small size of the City and budget constraints, employing a full-time accountant is not practical; we will continue to rely on external auditors.	No
		2014-02 - Separation of Duties: No one employee should have access to both physical assets and related accounting records, or to all phases of a transaction. Due to the small size of the City, the accounting and administrative staff are precluded from performing certain internal controls that would be preferred. (See PDF Page 48 of 53)	SD	2014 (FY 2011-12)	The City is small, with limited staff, and complete segregation of duties is not always possible. The City does separate duties to the extent possible.	No
Town of Penney Farms	Clay County	2011-1 - Financial Statement Preparation: Management's lack of knowledge and familiarity with Governmental Accounting and Financial Accounting Standards prohibits the Town's personnel from being able to prepare financial statements and note disclosures as required by those standards. (See PDF Pages 49-50 of 55)	SD	2013 (FY 2010-11)	Due to small size of entity, expense to employ an accountant not justified at this time.	No
Town of Pierson	Volusia County	2009-01 - Financial Statement Preparation: Management requested the auditors to prepare a draft of the financial statements, including the related notes to the financial statements. (See PDF Pages 31-32 of 36)	MW	2013 (FY 2010-11)	Limited staffing; Town Clerk does prepare financial reports for financial statements to be completed.	No
		2009-02 - Segregation of Duties: The Town Clerk is responsible to all accounting functions. (See PDF Page 32 of 36)	MW	2013 (FY 2010-11)	Limited staffing; difficult to separate duties since only 2 people in Town office; Chairman of Town Council now provided with monthly financial statements and bank statements for review.	No

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Town of Pomona Park	Putnam County	2009-IC-1 - Segregation of Duties: Because of the number of personnel in the financial department, there is a lack of separation of duties between employees that prepare the transaction and those that review the transaction. (See PDF Page 55 of 58)	SD	2013 (FY 2010-11)	Due to small staff size, finding will most likely not be resolved for many years; letter attached describes some procedures implemented to compensate.	No
Town of Ponce de Leon	Holmes County	2005-02 - Separation of Duties: The Town lacks sufficient personnel to appropriately separate all accounting functions. (See PDF Page 46 of 49)	MW	2013 (FY 2010-11)	Town operates on a very limited budget and has only one clerical employee; Town Council reviews financial statements and bank reconciliations monthly; Chairman monitors all expenditures weekly.	No
		2007-04 - Financial Statement Preparation: There is no Town personnel with experience, background, and knowledge of the governmental accounting and financial accounting standards to prepare the financial statements internally, including full note disclosures as required by those standards. (See PDF Page 47 of 49)	MW	2013 (FY 2010-11)	Town Council has been advised by external auditor of reporting requirements; trying to address issue, but for foreseeable future will continue to rely on external auditors to prepare financial statements.	No
Town of Reddick	Marion County	IC2009-1 - Financial Reporting: The Town's knowledge and expertise does not currently allow its staff to perform all of the functions necessary to prepare the financial statements and note disclosures in accordance with generally accepted accounting principles (GAAP). (See PDF Page 27 of 34)	MW	2013 (FY 2010-11)	The Town has only one part-time employee paid on a contract basis; does not have expertise or knowledge required to prepare financial statements and notes in accordance with GAAP.	No
		ML 2009-1 - Management Discussion and Analysis: Due to the inherent staff limitations, the Town is unable to produce the extensive Management Discussion and Analysis that accounting principles generally accepted in the U.S. has determined necessary to supplement although not required to be a part of the basic financial statements. (See PDF Page 27 of 34)	N/A	2013 (FY 2010-11)	The Town has only one part-time employee paid on a contract basis and does not have the resources to hire an outside accountant to prepare the financial statements and other required information.	No

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Town of Sewall's Point	Martin County	2011-1 - Organizational Structure: The size of the Town's accounting and administrative staff precludes certain internal controls that would be preferred if the office staff were large enough to provide optimum separation of duties. The Town is in the process of receiving federal grant funds, oversight and internal controls are a significant part of monitoring these funds. (See PDF Page 44 of 46)	N/A	2013 (FY 2010-11)	Describes procedures implemented to compensate for Town's small size.	No
Town of Sneads	Jackson County	07-1 - Financial Reporting: The Town relies on the external auditors to assist with the preparing and explaining financial statements in conformity with generally accepted accounting principles. (See PDF Page 54 of 66)	MW	2013 (FY 2010-11)	Limited resources; costs still not in Town's budget capabilities to correct this problem.	No
City of Sopchoppy	Wakulla County	14-01 - Preparation of Financial Statements: The City relies on the external auditors to assist with the preparing and explaining financial statements in conformity with generally accepted accounting principles. (See PDF Page 38 of 42)	SD	2013 (FY 2010-11)	No cost benefit to City in hiring a CPA solely for purpose of drafting financial statements ahead of year-end audit procedures.	No
City of St. Marks	Wakulla County	2014-01 - Segregation of Duties: The same person within the accounting department handled cash and checks and posted receipts and disbursements to the general ledger. (See PDF Page 40 of 45)	MW	2013 (FY 2010-11)	The financial resources of the City are limited due to its size; two employees are employed who must perform all accounting duties. The City will try to segregate duties whenever possible. The City has also engaged another outside CPA firm to assist in bank reconciliations and budget versus actual comparisons to present for the City Council on a monthly basis.	No

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City of Trenton	Gilchrist County	2009-1 - Financial Statement Preparation: The City is not capable of drafting the financial statements and all required note disclosures in accordance with generally accepted accounting principles (GAAP). The City also does not have the expertise necessary to prevent, detect, and correct misstatements in the financial statements and related notes. (See PDF Pages 50-51 of 55)	SD	2015 (FY 2012-13)	The City is a very small government and has used available resources to employ a competent accountant who maintains excellent accounting records and provides accurate monthly financial reports generally on the cash basis. The City has confidence in the audit firm to utilize these records and prepare annual financial statements. At this time, the City does not believe it would be a justifiable expense to employ another accountant on either a part-time or full-time basis to prepare the annual financial statements.	No
City of Waldo	Alachua County	2011-1 - Financial Statement Preparation: The City does not have the expertise necessary to prevent, detect, and correct misstatements. The City is not capable of drafting the financial statements and all required footnote disclosures in accordance to generally accepted accounting principles. (See PDF Pages 52-53-50 of 61)	SD	2014 (FY 2011-12)	The City is a very small government and has used available resources to hire a competent bookkeeper who maintains excellent accounting records and provides accurate monthly financial reports generally on the cash basis. The City does not believe it would be a justifiable expense to employ another accountant on either a part-time or full-time basis to prepare the annual financial statements.	No
Town of Wausau	Washington County	2010-01 - Segregation of Duties: The Town presently employs only one part-time clerical employee. This individual's responsibilities include billing, collecting, receipting, depositing and recording all revenues. Additionally, she is also responsible for preparing and documenting all disbursements. (See PDF Page 42 of 44)	MW	2013 (FY 2010-11)	Limited resources; this is and will be an ongoing situation; one-person operation; describes some procedures implemented to compensate.	No
		2010-02 - Financial Statement Preparation: The Town's finance officer lacks the experience, background and knowledge of governmental accounting and financial accounting standards to prepare the Town's financial statements including all note disclosures in accordance with generally accepted accounting principles. (See PDF Pages 42-43 of 44)	MW	2013 (FY 2010-11)	Will continue to provide educational opportunities for employees to increase knowledge in areas that are lacking.	No

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City of Wewahitchka	Gulf County	2011-1 - Financial Statement Preparation: The City does not have the expertise necessary to prevent, detect, and correct misstatements. The City is not capable of drafting the financial statements and all required footnote disclosures in accordance to generally accepted accounting principles. (See PDF Pages 56-57 of 66)	SD	2013 (FY 2010-11)	Small staff; will continue to request outside assistance needed in reporting more complex transactions.	No
Town of White Springs	Hamilton County	2011-01 - Financial Statement Preparation: The City does not have the expertise necessary to prevent, detect, and correct misstatements. The City is not capable of drafting the financial statements and all required footnote disclosures in accordance to generally accepted accounting principles. (See PDF Pages 55-56 of 61)	SD	2015 (FY 2012-13)	The Town is a very small government and has used our available resources to employ a competent accountant who maintains excellent accounting records and provides accurate monthly financial reports generally on the cash basis. The Town has confidence in the audit firm to utilize these records and prepare annual financial statements. At this time, the Town does not believe it would be a justifiable expense to employ another accountant on either a part-time or full-time basis to prepare the annual financial statements.	No
City of Wildwood	Sumter County	2014-001 - Financial Reporting: The auditors proposed material adjustments to the City's financial statements. Also, it was necessary for the auditors to assist the City with the preparation of the financial statements. (See PDF Page 50 of 51)	MW	2013 (FY 2010-11)	Costs outweigh benefits; it is in City's best interest to continue to outsource task to auditors; due to additional cost that would have to incur to resolve finding.	No
Town of Windermere	Orange County	14-01 - Internal Controls Over the Preparation of Financial Statements: The Town does not have the necessary expertise to draft the financial statements without assistance from the auditors. (See PDF Pages 46 & 48 of 52)	SD	2015 (FY 2012-13)	Due to the size, limited staff and resources of our small entity, management acknowledges and accepts this deficiency.	No
Town of Yankeetown	Levy County	2014-001 - Separation of Duties: Because of the limited number of available personnel, it is not always possible to adequately separate certain incompatible duties so that no one employee has access to both physical assets and the related accounting records, or to all phases of a transaction. (See PDF Page 37 of 38)	MW	2013 (FY 2010-11)	Due to small size of Town, all accounting responsibilities are performed by one person; Town has adopted review and oversight procedures by management and Town Council, where possible, to compensate; not cost beneficial to hire additional staff needed to eliminate finding.	No

MW = Material Weakness (see 2. In Legend)
SD = Significant Deficiency (see 3. In Legend)

Prepared by the Staff of the Joint Legislative Auditing Committee
November 2015

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FOOTNOTE/LEGEND:

1. Most of these audits have been conducted by private certified public accountants, as required by Section 218.39(1), Florida Statutes.
2. **Material Weakness (MW)**: a deficiency, or combination of deficiencies, in internal control such that there is reasonable possibility that one of the following will not be prevented, or detected and corrected, on a timely basis:
 - a. a material misstatement of the entity's financial statements, or
 - b. material noncompliance with a type of compliance requirement.

For example, a deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement on a timely basis.

The severity of the deficiency would determine whether it should be classified as a material weakness, a significant deficiency, or an additional matter.

3. **Significant Deficiency (SD)**: less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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City of Arcadia	DeSoto County	2013-01 - Audit Adjustments: Numerous audit adjustments were necessary for the fair presentation of the financial statements. Bank accounts had not been reconciled the entire year; there was no documented evidence that any of the balance sheet accounts had been reconciled to the general ledger; and there was a lack of management oversight over the financial reporting process. Thus, numerous misstatements were detected during the audit. (See PDF Pages 87-88 & 92 of 95)	MW	2015 (FY 2011-12)	In April 2014, the City was 19 months behind in reconciling bank statements. Presently staff has completed reconciling statements through February 2015. Staff is projecting to be up to date by September 30, 2015.	Yes
		2013-03 - Pensions: Employee and City contributions to the Employee Retirement Plan were in excess of the amounts required by the Plan document. In addition, pensionable compensation being reported in the census data to calculate future benefits is overstated, thus effectively increasing future pension contribution rates. (See PDF Pages 89 & 92 of 95)	SD	N/A	N/A	No (Finding was corrected per FY 2013-14 CPA report)
		2013-04 - Budget: The City was not maintaining the budget for changes in operating activity, thus resulting in expenditures exceeding appropriations for several departments. (See PDF Pages 89-90 & 92 of 95)	N/A	2015 (FY 2011-12)	A budget policy was implemented that allows budget amendments to be made during the year by Resolution. For example, staff is preparing a 2015 budget amendment to be presented to the Council in August 2015.	No (Finding was corrected per FY 2013-14 CPA report)
		2013-05 - Financial Condition Assessment: The City's financial condition has disclosed a gradual deterioration in the City's financial position. The City has suffered a deficiency of revenues under expenditures in the General Fund for many years, and transfers are made annually to cover these deficiencies. The City's current fund balance in the General Fund equates to less than three months of expenditures. The financial condition remains critical and appropriate actions need to be taken to prevent further depletion of operating reserves. (See PDF Pages 90-92 of 95)	N/A	2015 (FY 2011-12)	The City is dedicated to operating its financial matters in a professional and businesslike manner. In recognition of the vital importance to operate with an available reserve, for FY 2013-14 and FY 2014-15 the City has budgeted to retain reserve funds for the General Fund. The FY 2014-15 approved general fund budget expenditures came in at \$141,202 less than the 2013-14 budget expenditures.	No (Finding was corrected per FY 2013-14 CPA report)

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Town of Astatula	Lake County	2010-003 - Financial Reporting: Financial reports were not being prepared on a monthly basis for Council review. (See Part 2, PDF Page 13 of 17)	MW	2015 (FY 2011-12)	The Town purchased new financial software, and the Town Clerk is working with the financial software staff to create financial statements for the Council.	Yes
		2010-005 - Payroll and Personnel Administration: Staffing assignments should be reviewed to ensure financial information is being prepared in a timely manner. (See Part 2, PDF Page 13 of 17)	SD	2015 (FY 2011-12)	The Town Council hired additional staff to assist with daily operations of Town government.	Yes
City of Boynton Beach	Palm Beach County	2011-08 - Ambulance/EMS Accounts Receivable: The City does not have a formal policy for writing off uncollectible balances for ambulance services receivables, and only reconciles the account at fiscal year-end. (See PDF Page 260 of 268)	N/A	N/A	N/A	Yes
		2011-10 - Capital Assets: 1) Policies: The City has not adopted a formal policy for the capitalization of capital assets. 2) Inventory: The City should conduct an annual inventory of capital assets pursuant to the Rules of the Auditor General. (See PDF Pages 260-261 of 268)	N/A	N/A	N/A	Yes
		2011-11 - Housing Program Expenditures: The City's purchasing policy requires City Manager approval for non-construction purchases over \$5,000 and City Commission approval for all purchases over \$25,000; however, disbursements related to the Community Development Block Grant program that exceed the \$5,000 threshold were not approved by the City Manager, and disbursements over the \$25,000 threshold are not being approved by the City Commission. (See PDF Page 261 of 268)	N/A	N/A	N/A	Yes

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City of Chattahoochee	Gadsden County	08-4 - Park and Recreation Activity: The City has two off-site locations for the collection of funds, the RV park and recreational activity sites. The accounting records maintained for each activity need to be improved to provide better documentation and provide the ability to evaluate existing programs and activity. (See PDF Page 57 of 60)	SD	2015 (FY 2011-12)	The City has instituted a policy whereby there are no funds received for player registrations on site, and all are now paid directly to City employees at City Hall. A receipt book system is in place for collections of fees for campers at our campground.	Yes
		11-1 - Integrate billing and accounting with database: The City's utility meter reading is physically recorded and turned over to City Hall to prepare and enter the reading manually into the accounting system. This approach is time consuming and laborious, and it is potentially an area where multiple errors can occur. (See PDF Page 57 of 60)	SD	N/A	N/A	Yes
City of Gretna	Gadsden County	2011-02 - Financial Reporting: The City's annual financial audit report for prior fiscal years was not submitted to the State of Florida Auditor General's office within nine months after the end of the fiscal year as required by law. (See PDF Pages 54 & 57 of 57)	N/A	2015 (FY 2011-12)	The City has addressed and resolved this finding, and there is no repeat finding in FY 2014.	No (Finding was corrected per FY 2013-14 CPA report)
Village of Islamorada, Village of Islands	Monroe County	2013-04 - IT Entity Level Controls: The Village does not have a formal IT strategic plan in place that aligns information technology strategies with the overall business objectives. (See PDF Pages 116-117 & 118 of 120)	N/A	N/A	N/A	Yes
		2013-05 - Network Security Control: The Village does not have sufficient environmental controls in place for the IT server rooms. Currently, the server rooms have a water sprinkler system in place for fire suppression, which can cause as much, if not more, damage to a server room as a fire. (See PDF Pages 117 -118 of 120)	N/A	N/A	N/A	Yes

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City of Midway	Gadsden County	13-01 - Prepare Financial Statements in Accordance with GAAP and Significant Adjustments: There were certain material adjustments that were required to be made to the accounting records subsequent to the start of the audit process. (See PDF Pages 32 & 35 of 39)	MW	2015 (FY 2011-12)	The City retained a CPA firm to provide financial and payroll services in accordance with GAAP. Since the CPA firm did not completely take over financial services and payroll from internal staff until late in 2014, getting the City's financial issues addressed is still a work in progress that is likely to show real progress in the 2014-15 audit process.	Yes
		13-03 - Supporting Documentation for Cash Disbursements: Supporting documentation could not be located for several cash disbursements selected for detailed audit testing. (See PDF Pages 32 & 35 of 39)	MW	2015 (FY 2011-12)	The City has implemented a policy that no cash will be disbursed without a copy of the corresponding invoice and approval in accordance with disbursement policy.	Yes
City of Opa-Locka	Miami-Dade County	2013-01 - Journal Entries and Account Reconciliation: Management failed to reconcile almost all of the balance sheet accounts including interfund balances and transfers, bank reconciliations, accounts receivables, payables, capital expenditures on a timely basis. (See PDF Pages 96-97 & 107 of 108)	MW	N/A	N/A	Yes
		2013-02 - Utility Billings and Receivables: All activity in the utility billing system does not appear to be posting properly to the general ledger. Additionally, customers are billed an estimated amount because the electronic meter readers are not working correctly. The balances are then trued up at a later date. (See PDF Pages 97 & 107 of 108)	MW	2015 (FY 2011-12)	Procedures were implemented to correct the finding, although not fully resolved with the FY 2013 audit due to limited staff and resources. The City could not implement the recommendations of an outside consultant at this time due to budget constraints.	Yes
City of Parker	Bay County	13-01 - General Accounting Records: Significant adjustments to the financial records were made in order for the financial statements to conform to generally accepted accounting principles. (See PDF Pages 49-50 of 51)	MW	N/A	N/A	No (Also included on FY 2013-14 AG Notification; See Schedule 7)

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City of Parker (continued)	Bay County (continued)	13-02 - Lack of Segregation of Duties: Separation of certain accounting and administrative duties among employees, which is recommended as an effective internal control procedure, was not adequate to reduce the risk of fraud or misappropriation of assets to an acceptable level. (See PDF Page 50 of 51)	MW	N/A	N/A	No (Also included on FY 2013-14 AG Notification; See Schedule 7)
City of Quincy	Gadsden County	2001-C/IC-M-01-3 - No Reconciliation of Inventory: The City conducted a periodic physical inventory of property and equipment both for the enterprise and general government operations. However, the results of the physical count were not reconciled to the listings maintained at the property section and to the book balances. Also, the City did not prepare fixed asset schedules to support the computation of the monthly depreciation expenses recorded in the books, and, in the City's annual physical count of property and equipment, land, buildings, and improvements were not included. (See PDF Page 111 of 112)	SD	2015 (FY 2011-12)	This item has not been addressed yet because the City has not had the number of qualified staff to do the reconciliation. As the finance director has reviewed the records, it may take a couple of years, with current staff, to take the existing capital asset listing, reconcile it to the physical assets, and then record it on the general ledger. This issue will not be completely resolved in 2015.	No (Also included on FY 2013-14 AG Notification; See Schedule 7)
		2004-IC-M-04-06 - Customer Deposits Not in Cash Account: Customers' deposits were not reflected in the general ledger by means of an actual pool cash account. (See PDF Page 110 of 112)	SD	N/A	N/A	No (Also included on FY 2013-14 AG Notification; See Schedule 7)
		2005-C-M-1 - Loan Compliance Not Met: Certain compliance requirements relating to the Drinking Water State Revolving Loan Fund Agreement were not met. In addition, the requirements pertaining to the 2011 Series Issuance were not met regarding continuing disclosures and submissions of financial statements within 12 months. (See PDF Pages 108-109 of 112)	SD	2015 (FY 2011-12)	The City made the appropriate transfers to its debt service account and made its debt payments. The FY 2014 Financial Report was issued on 6/30/15 and will be filed in time. This issue will be resolved in FY 2015.	No (Also included on FY 2013-14 AG Notification; See Schedule 7)

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City of Quincy (continued)	Gadsden County (continued)	2005-C-M-2 - Loan Compliance Not Met: Certain compliance requirements relating to the Sewer State Revolving Loan Fund Agreement were not met. (See PDF Page 109 of 112)	SD	2015 (FY 2011-12)	Although the City made all its debt service payments and makes monthly transfers to a debt service account, the City may not have complied with all conditions of the loan. This issue may take a couple of years to resolve.	No (Also included on FY 2013-14 AG Notification; See Schedule 7)
		2005-IC-M-04-05 - Bank Reconciliations Not Prepared: Monthly bank reconciliation statements were not prepared. In addition, the main operating bank account was not properly reconciled, and there was no proper listing of outstanding checks. (See PDF Pages 109-110 of 112)	SD	2015 (FY 2011-12)	The City Accounting staff has implemented a system of downloading cash detailed transactions and creating pivot tables which greatly expedites the process of reconciliation. This issue will be completely resolved in 2015.	No (Finding was corrected per FY 2013-14 CPA report)
		2005-IC-M-05-03 - Lack of Access Control/Segregation of Duties: The computerized payroll system is susceptible to manual override for restricted information. (See PDF Page 109 of 112)	SD	2015 (FY 2011-12)	The software system permits users to be assigned to different levels of access. A new payroll menu has been designed to allow access to payroll information, but not change any information. We are in the process of converting non-essential personnel over to the inquiry menu. This issue will be completely resolved in 2015.	No (Finding was corrected per FY 2013-14 CPA report)
		2005-IC-M-05-04 - Revenue Bonds Not Recorded: Transactions relating to revenue bonds were not recorded in a timely manner. (See PDF Page 109 of 112)	SD	2015 (FY 2011-12)	We have converted to a new method of making debt payments. We record the payment in the accounts payable system and the general ledger, and the computer system then generates the appropriate ACH (Automated Clearing House Network; relates to transferring funds between bank accounts) entry to the bank. This issue was resolved in FY 2015.	No (Finding was corrected per FY 2013-14 CPA report)
		2009-C-11-09 - Uniform Chart of Accounts: The City has not complied with the uniform chart of accounts required by the State of Florida. The City does not consistently use the functional codes established by the State nor are they updated or monitored to comply with the State requirements on a yearly basis; however, the City has used the correct fund numbers and individual expenditure codes. (See PDF Page 108 of 112)	SD	N/A	N/A	No (Also included on FY 2013-14 AG Notification; See Schedule 7)

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Municipality	County	Audit Finding	MW or SD?	Year Last Response Received (RE: Fiscal Year)	Summary of Entity's Most Recent Response	Recommend Requiring a Written Response this Year?	
City of Quincy (continued)	Gadsden County (continued)	2009-IC-IM-09-01 - Account Monitoring/Timing of Journal Entry Postings: Journal entry transactions were related to the current audit period; however, the authorization date and the posting dates were after the fiscal year-end. (See PDF Page 108 of 112)	SD	2015 (FY 2011-12)	This issue relates directly to reconciling cash. The City's accounting staff have developed several techniques for expediting the cash reconciliation process. This issue has been resolved in 2015.	No (Finding was corrected per FY 2013-14 CPA report)	
		2010-IC-IM-10-01 - No Filing of Annual QPD to State: The City did not file the annual Qualified Public Depositor (QPD) report due to the State of Florida CFO as required. (See PDF Page 107 of 112)	SD	2015 (FY 2011-12)	The QPD for fiscal year 2014 was filed three days late, on 12/3/2014; the new Finance Director started 12/1/2014. The November 30th deadline is set up as an Outlook take for two staff members. This issue has been resolved in 2015.	No (Also included on FY 2013-14 AG Notification; See Schedule 7)	
		2010-IC-IM-10-02 - Accounts Receivable Not Monitored: Accounts receivable balances are not monitored throughout the year. The reports produced for audit did not agree to the trial balance or one another. (See PDF Page 107 of 112)	SD	2015 (FY 2011-12)	The City now produces a monthly aged utility accounts receivable report which is submitted to the City Commission. For FY 2014, a conservative approach was taken; if an amount owed had not been collected within 60 days, the receivable was not recorded, and the bad debt expense was increased. A formal process of writing off bad debt will be fully implemented by the end of FY 2015.	No (Also included on FY 2013-14 AG Notification; See Schedule 7)	
		2010-IC-IM-10-05 - Journal Entries Lack Approval: Journal entries were created and approved by the same individual due to lack of staffing in the finance department. (See PDF Pages 107-108 of 112)	SD	2015 (FY 2011-12)	All journal entries are approved by qualified personnel. This issue has been resolved in 2015.	No (Finding was corrected per FY 2013-14 CPA report)	
		2011-C/IC-11-08 - No Inventory of Property: The annual inventory of property has not been performed for the current fiscal year. (See PDF Page 106 of 112)	SD	N/A	N/A	N/A	No (Also included on FY 2013-14 AG Notification; See Schedule 7)
		2011-C/IC-11-10 - Timely Submission of Audit Report to State: The City failed to comply with requirements of the Department of Financial Services and the Auditor General which require the audit report to be submitted by June 30, 2014. (See PDF Page 106 of 112)	SD	N/A	N/A	N/A	No (Finding was corrected per FY 2013-14 CPA report)

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City of Quincy (continued)	Gadsden County (continued)	2011-C/IC-11-11 - Timely Submission of AFR: The Annual Financial Report due to the Department of Financial Services was not filed timely. (See PDF Page 106 of 112)	SD	N/A	N/A	No (Finding was corrected per FY 2013-14 CPA report)
		2011-IC-CD-11-05 - Journal Entries Not Automatically Numbered: Journal entries are not automatically numbered by the system. As such, there were several journal entry numbers manually skipped. (See PDF Pages 105-106 of 112)	SD	N/A	N/A	No (Finding was corrected per FY 2013-14 CPA report)
		2011-IC-MW-11-01 - Lack of Segregation of Duties: There was a lack of segregation of duties between the recording, authorization, custody, and reconciliation of transactions in the financial accounting and human resources functions. Current processes are subject to override due to lack of segregation of duties in the Finance Department. (See PDF Page 104 of 112)	SD	N/A	N/A	No (Also included on FY 2013-14 AG Notification; See Schedule 7)
		2011-IC-MW-11-02 - Accounts Not Reconciled: The City does not follow a process of reconciling account balances on a regular basis. The majority of accounts, including several with significantly material balances, had not been reconciled or recorded for more than nine months after fiscal year end. Also, several journal entries were not posted accurately or timely. (See PDF Page 104 of 112)	SD	N/A	N/A	No (Also included on FY 2013-14 AG Notification; See Schedule 7)
		2011-IC-MW-11-03 - No Process for Internal Control Over Financial Reporting: The City does not have a formal process which establishes internal controls over financial reporting to ensure proper presentation and disclosure of the financial reports. (See PDF Page 105 of 112)	SD	N/A	N/A	No (Also included on FY 2013-14 AG Notification; See Schedule 7)

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City of Quincy (continued)	Gadsden County (continued)	2011-IC-SD-11-04 - Lack of Supervisory Review Over Employee Benefits: There was a lack of supervisory level controls over employee elections and contributions relating to pensions and employee benefits. (See PDF Page 105 of 112)	SD	N/A	N/A	No (Also included on FY 2013-14 AG Notification; See Schedule 7)
City of Springfield	Bay County	13-01 - Audit Adjusting Entries: Significant adjustments to the financial records were made in order for the financial statements to conform to generally accepted accounting principles. (See PDF Page 56 of 67)	MW	2015 (FY 2011-12)	City staff is in the process of a change in accounting and billing software, which we believe will help reduce the adjustments required to the financial statements. We do not believe that we will ever reach a point where there will be no adjustments necessary due to the costs involved.	Yes
		13-03 - Bank Reconciliations: Several general ledger bank account balances did not agree with related reconciliations. Activity was not recorded in a timely manner, and there remains differences between the reconciliations and the general ledger for certain accounts. Also, bank reconciliations were not completed in a timely manner. (See PDF Pages 56-57 of 67)	MW	2015 (FY 2011-12)	City staff is in the process of catching up prior bank reconciliations and once done intend to complete the reconciliations in a timely manner, on a monthly basis. The new software being implemented has a good reconciliation report available. We are closely monitoring transactions daily and do have a solution in the works.	Yes
		13-04 - Account Balances: Many general ledger accounts had incorrect balances and were not reconciled to the subsidiary ledger when the audit was started. (See PDF Page 57 of 67)	MW	2015 (FY 2011-12)	The City is in the process of new software setup, and qualified staff has been in place from the inception of implementation. Staff is continuing to closely review the general ledger pre-posting reports and still has some work to do on certain subsidiary ledgers, yet continues to make progress daily on these different ledgers.	Yes
		13-05 - Operating Expenditures Exceed Budget: Expenditures exceeded the approved budget in the special governing, police, fire, protective services, maintenance, highways and streets, and recreation departments. (See PDF Pages 57-58 of 67)	MW	2015 (FY 2011-12)	Proper budgeting procedures are now in place to ensure the budget is amended in a timely manner. The new software allows the ability to input budget information, which assists in the ability to more easily track requested, proposed, adopted, and amended budget classifications.	Yes

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City of Springfield (continued)	Bay County (continued)	13-06 - Transfers and Interfund Balances: Transfers out of funds did not equal the related transfers in the related funds. Also, some related due froms/tos did not balance. An audit adjusting entry was proposed to correct these errors. (See PDF Page 58 of 67)	MW	2015 (FY 2011-12)	This area continues to be an issue; staff has been working to come up with a solution to better track these balances until the new software will accomplish this task. To date, the best staff can do is come up with monthly totals of items affecting these account balances and adjust them to the proper fund.	Yes
		13-07 - Accounts Receivable: The subsidiary ledger of accounts receivable for the proprietary funds did not agree with, and was not reconciled to, the general ledger at fiscal year-end. Also, summary reports for the water, sewer, sanitation, and cable funds did not agree to the respective detailed reports, and both did not agree with the general ledger. (See PDF Page 58 of 67)	MW	2015 (FY 2011-12)	City staff is continuing to print the appropriate detailed accounts receivable reports monthly and attempting to reconcile the subsidiary ledger to the general ledger on at least an annual basis. Staff is trying to comply with the monthly reconciliations, but limited staff does present a time constraint which doesn't always allow for this.	Yes
		13-08 - Property and Equipment: The property and equipment records were not complete, and the property and equipment is not being properly tagged. An inventory was taken at the end of 2013; however, it did not document the inventory procedures and consistency of how the inventory was completed. (See PDF Pages 58-59 of 67)	MW	2015 (FY 2011-12)	The City has implemented a property and equipment inventory tagging system and does have a property inventory log. This change will be reflected in the FY 2014-15 audit report.	Yes
		13-09 - Customer Deposits: The subsidiary ledger of customer deposits did not agree with, and was not reconciled to, the general ledger. (See PDF Page 59 of 67)	MW	2015 (FY 2011-12)	The City has recently implemented a procedure to reconcile the customer deposit subsidiary ledger to the general ledger on a monthly basis; we may have this note through the FY 2013-14 audit since we have just implemented this process.	Yes
		13-10 - Summary of Grant Awards: Certain grants were not initially identified by the City as grants awarded, due to lack of organized records. Also, a summary of grant activity was not prepared. (See PDF Pages 59-60 of 67)	MW	2015 (FY 2011-12)	City staff is aware that grant activity has not been monitored correctly in the past. We have very few grants as of this fiscal year, and they are being tracked properly. We will prepare a summary sheet for our audit firm listing the required information.	Yes

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City of Springfield (continued)	Bay County (continued)	13-12 - Transaction Documentation: Various types of transactions had little or no supporting documentation. (See PDF Pages 60-61 of 67)	MW	2015 (FY 2011-12)	Transaction documentation is being maintained in a lot better manner than in the past to include: bank statements provide images of cleared checks; finance director is now keeping all voided checks in a single location; all returned checks are copied and kept together; a log of all credits/adjustments to customer accounts is being kept; credit card receipts are being kept with the statement they are charged to; and adjusting journal entries are being kept in a folder with the back-up for the journal entry stapled to the adjustment.	Yes
		13-13 - Recording Activity in the Proper Period and in a Timely Manner: On numerous occasions, the City did not record transactions in the general ledger in a timely manner. Also, certain transactions were recorded in the wrong period. (See PDF Page 61 of 67)	MW	2015 (FY 2011-12)	City staff is now making sure that activity is recorded in the period it belongs to and that all activity is correctly reflected in the general ledger in a timely manner.	Yes
		13-14 - Improper Computer Access: Certain employees have computer access to areas considered unnecessary to perform their job description. Also, the system administrator is heavily involved with day to day finances of the City. (See PDF Page 61 of 67)	MW	N/A	N/A	Yes
		13-15 - Month End Closing: The City lacks month-end closing procedures that would provide for determining that all accounting activity for the month has been appropriately recorded. (See PDF Pages 61-62 of 67)	MW	2015 (FY 2011-12)	Month-end closing procedures are in the works; once the audit for FY 2013-14 is complete, staff plans to focus on drawing up a month-end close checklist.	Yes
		13-16 - Errors in Customer Billings: There is a lack of controls in place in reviewing and determining the accuracy of customer billings and providing support for adjustments. (See PDF Page 62 of 67)	MW	2015 (FY 2011-12)	Implementation of new software, coupled with the fact that all intensive users will have ground up training, should eliminate most billing errors. Adjustments will still be performed for small things, such as late fees, penalties, etc., but should not be large bill adjustments.	Yes

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SD = Significant Deficiency (see 3. In Legend)

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City of Springfield (continued)	Bay County (continued)	13-17 - Cash Management: During audit testing of accounts payable, accruals for late fees due to the bank from the prior year were noted. (See PDF Page 62 of 67)	MW	N/A	N/A	Yes
		13-18 - Collection and Submission of Sales Tax: The City is collecting small amounts of sales taxes on certain sales transactions as required, but they are not remitting these collections to the State. (See PDF Pages 62-63 of 67)	MW	N/A	N/A	Yes
City of Sweetwater	Miami-Dade County	2004-01 - Budget Process: While some budget issues from prior year were corrected, several line item expenditures still exceeded budget appropriations for the fiscal year. This was predominantly caused by unbudgeted debt service expenditures and professional fees, audit reclassifications of expenditures, and underbudgeted personnel expenditures due to higher costs than originally expected for health insurance and workers' compensation. (See PDF Pages 69 & 80-81 of 81)	N/A	2015 (FY 2011-12)	During the last two years, several line item expenditures exceeded their budget appropriations for the fiscal year, which were caused by audit adjustments related to expenditure accruals and a lack of budget amendments being completed for capital expenditures and debt service expenditures that were not expected or anticipated at the point in time when the original budget was proposed and adopted. With the hiring of a new Finance Director and additional personnel, this issue is expected to be corrected for FY 2014-15.	Yes
		2007-02 - Audit Journal Entries: The City's audit required several audit adjustments to prepare financial statements in accordance with generally accepted accounting principles. This creates an absence of internal process to report deficiencies in internal control to management on a timely basis. (See PDF Pages 69 & 76-77 of 81)	MW	2015 (FY 2011-12)	The implementation of a new accounting system was expected to improve these conditions, but transition/implementation issues have been encountered and the issues have not been resolved. If improvements are not made by FY 2014-15, the auditors recommend that the City outsource a general ledger detail review of transactions and balances during FY 2015-16.	Yes

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City of Sweetwater (continued)	Miami-Dade County (continued)	2007-03 - Accounts Payable Subsidiary Ledgers: The City's accounting software contains a module which provides for the processing of vendor invoices/checks and provides other information related to accounts payable. The City was requested to provide a listing of the outstanding vendor payments as of fiscal year-end; however, the City was not able to provide such support, as no aging/ledger or schedule is maintained. Management has purchased a new accounting software program, which was implemented in FY 2013-14 and does contain an accounts payable module. (See PDF Pages 69 & 77-78 of 81)	N/A	2015 (FY 2011-12)	This finding was corrected. It will be reported as corrected in the FY 2013-14 audit, which is expected to be completed soon.	Yes
		2007-04 - Capital Assets: In prior years, the City did not perform an annual physical inventory of capital assets and lacks a sufficient detailed schedule of capital assets. In the current year, management has moved forward with the process of completing a physical inventory of capital assets by department. Also, a new accounting software program was implemented in FY 2013-14. The next necessary step would be to reconcile the physical inventory to the capital assets listing and enter all assets and accumulated depreciation into the accounting system's asset and depreciation module. (See PDF Pages 69 & 78-79 of 81)	SD	2015 (FY 2011-12)	During 2015, the City was able to complete a physical inventory of capital assets. The next task at hand is to reconcile the physical inventory to the capital asset listing and enter all capital assets and accumulated depreciation into the new accounting system. The City expects to have this finding completely corrected for the FY 2015-16 audit.	Yes
		2007-06 - Grant Management and Administration: While significant improvements have been made in the City's management and administration of grants, some deficiencies still exist. There were some discrepancies in the manner in which the finance department was documenting the reports of grant expenditures versus the manner in which grant expenditures were actually being reported by the grant administrator. (See PDF Pages 69 & 79-80 of 81)	N/A	2015 (FY 2011-12)	At this point the City feels the maintenance of grant files has improved significantly and procedures have been implemented to improve the efficiency and accuracy of grant management.	Yes

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City of Sweetwater (continued)	Miami-Dade County (continued)	2008-01 - Failure to Report Federal Expenditures on Schedule of Expenditures of Federal Awards: The City was awarded several grants from FEMA and received advances related to these grants. The advances were recorded as deferred revenues in the year they were received, and the grants were never closed out. FEMA reconciled the grants back to 1999, and in February 2014 issued a letter to the City indicating that approximately \$2,000,000 must be refunded to FEMA due to under-runs and de-obligations related to two storms in 1999 and 2000. The City is appealing the decision. (See PDF Pages 69 & 75-76 of 81)	N/A	2015 (FY 2011-12)	The City is currently in the process of appealing the decision in 2014 by FEMA to refund approximately \$2,000,000 and is aggressively negotiating with FEMA as the City believes the decision is not justified. It is unknown at this time when the issue will be resolved.	Yes
		2009-01 - Reimbursement Requests – Local Awards: The City was awarded several funding allocations from Miami-Dade County's Building Better Communities General Obligation Bond Program. It was noted that reimbursement requests related to these awards were not being completed on a timely basis, which caused a deficit in the Capital Project Fund at 9/30/2009. During FY 2012-13, the General Fund transferred funds to the Capital Projects Fund in order to significantly reduce the deficit. The remaining deficit is expected to be cured in FY 2013-14. Also, the City continues to communicate with the County to resolve pending items for complete resolution. (See PDF Pages 69 & 74-75 of 81)	N/A	2015 (FY 2011-12)	This finding was corrected. It will be reported as corrected in the FY 2013-14 audit, which is expected to be completed soon.	Yes
City of Vernon	Washington County	2003-01 - Fixed Assets: The property records do not have a complete listing of buildings and land owned by the City. (See PDF Page 51 of 62)	N/A	2015 (FY 2011-12)	The City continues to research this issue in an attempt to resolve. There is no original cost available for some old buildings and land owned by the City. The City would need to hire a professional property appraiser, the cost of which is prohibitive at this time, This item will remain until funds are available for appraisals to be conducted.	Yes

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City of Vernon (continued)	Washington County (continued)	2008-1 - General Accounting Records: The recreation department lacks adequate internal controls for reporting purposes (remaining from FY 2007-08). (See PDF Page 60 of 62)	N/A	2015 (FY 2011-12)	The City continues to improve controls over the recreation department and intends for this item to be resolved by the FY 2014-15.	Yes
		2009-1 - Cash: There are several old items on the bank account reconciliations (remaining from FY 2008-09). (See PDF Page 60 of 62)	N/A	2015 (FY 2011-12)	The City is researching the old items on bank reconciliations and is working on their ultimate resolution in order to remove them from the reconciliations. We intend for this item to be resolved by the FY 2014-15.	Yes
City of Webster	Sumter County	2013-003 - Debt Administration: The City has a state revolving fund loan that requires Sanitation and Sewer user fees to be set at a level to meet a specified revenue ratio, as defined by the loan document. The City did not meet its revenue ratio requirement for FY 2012-13. (See PDF Page 47 of 54)	N/A	2015 (FY 2011-12)	The City is working on this finding and expects to have this finding corrected by the FY 2014-15 audit report. The City opened a separate bank account for the wastewater sinking fund in July 2014 and will deposit the appropriate amount monthly into the account.	Yes

FOOTNOTE/LEGEND:

1. Most of these audits have been conducted by private certified public accountants, as required by Section 218.39(1), Florida Statutes.
2. **Material Weakness (MW)**: a deficiency, or combination of deficiencies, in internal control such that there is reasonable possibility that one of the following will not be prevented, or detected and corrected, on a timely basis:
 - a. a material misstatement of the entity's financial statements, or
 - b. material noncompliance with a type of compliance requirement.

For example, a deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement on a timely basis.

The severity of the deficiency would determine whether it should be classified as a material weakness, a significant deficiency, or an additional matter.

3. **Significant Deficiency (SD)**: less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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City of Chattahoochee	Gadsden County	08-1 - Separation of certain accounting and administrative duties among employees is not considered feasible by the City because of its size and limited number of employees. (See PDF Page 56 of 60)	MW	2013 (FY 2010-11)	Describes procedures implemented to address finding; however, due to small staff size, finding may never be completely resolved.	No
		08-2 - Financial Reporting Deficiency: Management requested the auditors to prepare the proposed journal entries and draft the financial statements, including related note disclosures. Management reviewed, approved, and accepted responsibility for those financial statements prior to their issuance. Management has made the decision that it is beneficial to have the auditor propose the necessary adjusting entries and prepare the draft financial statements and notes. (See PDF Page 56 of 60)	SD	2013 (FY 2010-11)	Describes procedures implemented to address finding; however, due to small staff size, finding may never be completely resolved.	No
City of Mexico Beach	Bay County	13-01 - Audit Adjusting Entries: Significant adjustments to the financial records were made in order for the financial statements to conform to generally accepted accounting principles. (See PDF Page 66 of 67)	MW	2013 (FY 2010-11)	Management considers costs required to correct finding outweigh benefits.	No
		13-02 - Financial Statements: Inadequate design of internal control over the preparation of the financial statements being audited gives rise to a material weakness in internal control. The auditor assists in the preparation of the City's financial statements. (See PDF Page 66 of 67)	MW	2013 (FY 2010-11)	Management considers costs required to correct finding outweigh benefits.	No

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City of Midway	Gadsden County	13-02 - Segregation of Duties: No one employee should have access to both physical assets and the related accounting records or to all phases of a transaction. Although the size of the City's accounting staff prohibits complete adherence to this concept, certain practices could be implemented to improve existing internal controls without impairing efficiency. These include having someone other than employees maintaining cash records receiving bank statements and canceled checks. (See PDF Pages 32 & 35 of 39)	MW	2015 (FY 2011-12)	The City has implemented various procedures to address this finding. The City's Operation Director position is vacant and will not be filled in the near future. Midway is a very small city with very limited financial resources; and recently had to make major cuts in staffing.	No
City of Springfield	Bay County	13-02 - Financial Statements: Inadequate design of internal control over the preparation of financial statements being audited. The auditor assists in the preparation of the financial statements, while the City retains responsibility for them. (See PDF Page 56 of 67)	MW	2013 (FY 2010-11)	We believe the new finance director is qualified to prepare our financial statements; however, due to cost constraints, we believe it is beneficial to have the audit team assist in the preparation of our financial statements.	No
		13-11 - Separation of Duties: Due to the small number of staff, the City doesn't have proper segregation of duties in many areas. (See PDF Pages 60 of 67)	MW	2013 (FY 2010-11)	We are taking steps to segregate significant responsibilities among qualified staff members; however, due to the size of the City, some of the duties that would typically be best separated are not able to be. We believe that this note will always be present due to the cost factor of having sufficient qualified staff to properly segregate duties.	No
City of Vernon	Washington County	2003-02 - Separation of Duties: Custody of assets, record keeping, and recording of assets should have adequate separation. Due to City's size, proper separation of duties may not be feasible, since the City has a small one-person bookkeeping system. (See PDF Page 51 of 62)	MW	2015 (FY 2011-12)	This will remain an issue for the City due to its small size. The Mayor and Council will remain active in the affairs of the city and review information relative to the day-to-day activities.	No
		2007-01 - Financial Reporting: The City relies on the external auditor to assist with preparing and explaining financial statements in conformity with generally accepted accounting principles. (See PDF Page 52 of 62)	MW	2015 (FY 2011-12)	Due to the small size of the City and limited funds, the City is not able to develop a system of internal control sufficient to prepare financial statements in accordance to generally accepted accounting principles and will continue to rely on external assistance.	No

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City of Webster	Sumter County	2013-001 - Separation of Duties: Because of a limited number of available accounting personnel, it is not always possible to adequately segregate certain incompatible duties so that no one employee has access to both physical assets and the related accounting records, or to all phases of a transaction. (See PDF Pages 47 of 54)	MW	2013 (FY 2010-11)	Provides brief history of City and describes procedures being implemented to compensate; however, due to small City with limited staff and resources, finding may never be completely resolved.	No
		2013-002- Financial Reporting: Generally accepted auditing standards require auditors to prepare a written communication if they identified misstatements during the audit process or if it was necessary to assist with the preparation of the financial statements. Errors in the City's accounting records were detected, and material audit adjustments were proposed. Also, auditors assisted with the preparation of the financial statements. (See PDF Pages 47 of 54)	MW	2013 (FY 2010-11)	Provides brief history of City and describes procedures being implemented to address finding, including hiring a government financial consultant to assist City. However, due to small City with limited staff and resources, finding may never be completely resolved.	No

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 - a. a material misstatement of the entity's financial statements, or
 - b. material noncompliance with a type of compliance requirement.

For example, a deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement on a timely basis.

The severity of the deficiency would determine whether it should be classified as a material weakness, a significant deficiency, or an additional matter.

3. **Significant Deficiency (SD):** less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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Special District	County	Audit Finding	MW or SD?	Year Last Response Received (RE: Fiscal Year)	Summary of Entity's Most Recent Response	Recommend Requiring a Written Response this Year?
Aberdeen Community Development District	St. Johns County	2013-01 - Reserve Requirements: The Debt Service Reserve Requirements for the Series 2005 and Series 2006 Bonds were not met at fiscal year-end. (See PDF Page 34 of 37)	N/A	2015 (FY 2012-13)	Describes history and current status of District; landowners failed to pay debt service special assessment; as a result, District filed foreclosure actions and was granted final judgments of foreclosure in late 2011; landowners filed for bankruptcy. On February 25, 2015, the Bankruptcy Court approved a global settlement agreement between the parties, and the case was dismissed. The District is currently working with the trustee and bondholder (new developer) to restructure the bonds and bring them out of default.	Yes
		2013-02 - Deficit Fund Balance: The District's financial conditions continue to deteriorate and the future of the project remains uncertain. The Debt Service Fund has reported a deficit fund balance at the end of the prior year. Nonpayment of assessments caused there to be insufficient funds available to make the required debt service payments on the Series 2005 and Series 2006 bonds. (See PDF Page 35 of 37)	N/A	2015 (FY 2012-13)	See response for finding #2013-01 above.	Yes
Amelia Concourse Community Development District	Nassau County	2012-01 - Reserve Requirement: The Debt Service Reserve Requirement was not met at fiscal year-end. (See PDF Page 34 of 37)	N/A	2015 (FY 2012-13)	The prior year response described the history and status of District; SPE (special purpose entity) that was created to hold foreclosed property continues to fund its share of the District's operating and maintenance cost and is actively marketing the property for resale. After the sale of the property, the net proceeds from the sale will be paid to the bondholders. The cancelation of the remaining debt associated with this property will correct the findings by the District's auditor. Current status: On May 14, 2015, the District approved an amended supplemental methodology in order to facilitate the sale of property. The District continues to work with the owner of the District's bonds and the majority landowner to market and sell the undeveloped property within the District.	Yes

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SD = Significant Deficiency (see 3. In Legend)

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Special District	County	Audit Finding	MW or SD?	Year Last Response Received (RE: Fiscal Year)	Summary of Entity's Most Recent Response	Recommend Requiring a Written Response this Year?
Amelia Concourse Community Development District (continued)	Nassau County (continued)	2012-02 - Financial Condition Assessment: The District's financial conditions continue to deteriorate, and the future of the project remains uncertain. The Debt Service Fund has reported deficit fund balances at the end of the last three fiscal years. Nonpayment of assessments by the former developer caused there to be insufficient funds available to make certain required debt service payments. During the current fiscal year, the District did make all past due principal payments, as well as the current year payment. However, the District did not pay any past due interest or make the full payment of current year interest due. (See PDF Page 35 of 37)	N/A	2015 (FY 2012-13)	See response for finding #2012-01 above.	Yes
Amelia Walk Community Development District	Nassau County	12-01 - Failure to Make Bond Debt Service Payments When Due: The landowner has not paid current debt assessments owed to the District, so as of fiscal year-end the District had not paid certain principal and interest amounts due. The payments were subsequently made in May 2015, after delinquent assessments were collected. (See PDF Pages 35-36 of 38)	N/A	N/A	N/A	Yes
Arborwood Community Development District	Lee County	3010-01 - Debt Administration: The District continues to meet financial emergency conditions related to the failure to make debt service payments on the Series 2005A and 2006A Capital Improvement Revenue Bond when due. (See Revised Management Letter, PDF Pages 1-2 of 2)	N/A	N/A	N/A	Yes
		2012-01 - Debt Administration: The District reported a fund balance deficit in two debt service funds for which sufficient resources were not available to cover the deficit. (See Revised Management Letter, PDF Page 2 of 3)	N/A	N/A	N/A	Yes

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Arlington Ridge Community Development District	Lake County	IC2010-01 - Debt Administration: The District is not in compliance with certain provisions of its bond Indenture including those relating to: (1) collecting assessments to provide payment of debt service; (2) maintaining adequate funds in debt service reserve accounts; and (3) making its semi-annual debt service principal and interest payments. (See PDF Page 34 of 39)	N/A	2015 (FY 2012-13)	The prior year response described the history and status of the District; a Special Purpose Entity (SPE) was created to hold foreclosed property. In December 2013, a new developer purchased the majority of the land and was actively engaged in building and marketing the property within the District. Current status: Foreclosure of the assessment lien on the property did not affect the principal amount of Bonds allocated to that property from a financial perspective and the interest continues to accrue thereon. However, there are no longer debt special assessments due from or on that property and the amount of total principal and interest to be paid on behalf of the property will be determined at the time of the property's disposition from the SPE and will be distributed pursuant to the Tri-Party Agreement. As of July 2015, the District and SPE are entertaining an offer to purchase of the SPE property.	Yes
		IC2010-02 - Financial Condition: The District has not received a majority of FY 2008-09 and FY 2009-10 debt service assessment amounts due from the Developer. Consequently, events of default on the Series 2006A Bonds occurred and are continuing. (See PDF Page 34 of 39)	N/A	2015 (FY 2012-13)	See response for finding #IC2010-01 above.	Yes
Baker County Development Commission	Baker County	2014-002 - Financial Reporting: The Commission does not have the professional personnel needed to meet the requirements of Statement on Auditing Standards Number 115 (lack skills and competencies necessary to prevent, detect, and correct a material misstatement in its financial statements). As part of the audit process, the auditors proposed material adjustments to the Commission's financial statements and assisted with the preparation of the financial statements. (See PDF Page 29 of 30)	MW	N/A	N/A	Yes

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Baker County Hospital District	Baker County	2014-02 - Financial Reporting: The Commission does not have the professional personnel needed to meet the requirements of Statement on Auditing Standards Number 115 (lack skills and competencies necessary to prevent, detect, and correct a material misstatement in its financial statements). As part of the audit process, the auditors proposed material adjustments to the Authority's financial statements and assisted with the preparation of the financial statements. (See PDF Page 24 of 25)	MW	N/A	N/A	Yes
Buckeye Park Community Development District	Manatee County	IC2014-03 - Debt Administration: The District is not in compliance with certain provisions of its Bond Indenture including those relating to: (1) levying and collecting assessments to provide payment of debt service; (2) maintaining adequate funds in debt service reserve accounts; and (3) making its semi-annual debt service principal and interest payments. (See PDF Page 32 of 38)	N/A	2015 (FY 2012-13)	The finding relates to the non-payment of assessment obligations by the original landowner/developer. The District has entered into an agreement with the Trustee and Bondholders allowing the Special Purpose Entity to acquire, administer, control, manage, sell, and distribute the proceeds of the lots in the District which were formerly owned by the non-paying developer. If successfully sold, the District should be able to replenish the Debt Service Reserve Account.	Yes
CFM Community Development District	Lee County	IC2010-1 - Debt Administration: At fiscal year-end, the District was not in compliance with certain provisions of its Debt Service Bond indenture, including: (1) collecting amounts to provide payment of debt service; (2) maintaining adequate funds in debt service reserve accounts; and (3) making its semi-annual debt service principal and interest payments. (See PDF Page 31 of 35)	N/A	2015 (FY 2012-13)	Describes history and current status of the District; a Special Purpose Entity was formed by the Trustee and the Bondholders to take ownership of the undeveloped land subject to certain delinquent debt service assessments. Certain debt service assessments remain delinquent, and once collected it will be used to pay past due debt service payments. At this time, it is uncertain if the debt service reserve will be replenished.	Yes

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Chapel Creek Community Development District	Pasco County	12-01 - Failure to Make Debt Service Payments When Due: In current and prior year, the District did not pay principal and interest due on the Series 2006A Bonds. At 9/30/2013, the District was not in compliance with the requirements of the Bond Indenture and has met a financial emergency condition. (See PDF Pages 33 & 36 of 40)	N/A	2015 (FY 2012-13)	The Trustee, on behalf of the bondholders, created a Special Purpose Entity (SPE) to own, manage, and dispose of the land purchased at a tax deed sale. The District, Trustee, and SPE entered into a Tri-Party Agreement whereby the SPE assumed responsibility for prior year debt service assessments owed to the District related to the land owned by the SPE. The Trustee has temporarily deferred payment of the principal and interest on the bonds and had directed the District to defer collection of debt service assessments until such time as the District receives notice from the Trustee to the contrary.	Yes
		12-03 - Failure to Include Component Unit Financial Statements in the Financial Report: The District did not include the Special Purpose Entity (SPE) New Chapel Creek, LLC as a component unit in the District's financial report. (See PDF Pages 33 & 35 of 40)	MW	2015 (FY 2012-13)	Management does not agree that the SPE should be included as a blended component unit on the government-wide financial statements. It is the position of the auditor that it should be included. The finding will not be resolved until the SPE has sold the property it holds and is dissolved.	Yes
		12-04 - Land Held for Resale Not Recorded: No appraisal was performed on the land held for resale owned by the Special Purpose Entity (SPE) Chapel Creek CDD Holdings, LLC. As a result, the market values of the land could not be determined at fiscal year-end, and no amount was recorded in the financial statement for this asset. (See PDF Pages 33 & 35 of 40)	MW	2015 (FY 2012-13)	No appraisal was performed on the land owned by the SPE. Due to this, the market value of the land could not be determined, and no amount was recorded in the financial statements for the asset.	Yes

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Children's Board of Hillsborough County	Hillsborough County	2014-1 - Property Tax Receivable: The Board is recording property tax revenue on both the governmental and government-wide statements on a modified accrual basis of accounting. This is a departure from generally accepted accounting principles and may require adjustment to the financial statements if the effect becomes material. As of fiscal year-end, the cumulative receivable balance and related allowance booked in the financial statements was understated by \$424,000. (See PDF Page 47 of 47)	N/A	N/A	N/A	Yes
Clearwater Cay Community Development District	Pinellas County	IC2009-1 - Debt Administration: The District is not in compliance with certain provisions of its bond indenture including those relating to: 1) levying and collecting assessments to provide payment of debt service, 2) maintaining adequate funds in debt service reserve accounts, and 3) making its semi-annual debt service principal and interest payments. (See PDF Pages 31-32 of 36)	N/A	2015 (FY 2012-13)	Several years ago, the District initiated a foreclosure suit to obtain title to the property where the owners were delinquent in paying District bond debt service assessments. The District's bond trustee was successful in obtaining title to all property where the owner(s) were delinquent in paying assessments and is now holding this property/security for the benefit of the bondholders. Thus, the District has successfully followed the remedies outlined in the applicable bond trust indenture(s) related to the collection and enforcement of District bond debt service assessments.	Yes
Concorde Estates Community Development District	Osceola County	12-01 - Failure to Include Component Unit Financial Statements in the Financial Report: The District did not include the Special Purpose Entity (SPE) as a component unit in the District's financial report. (See PDF Page 36 of 39)	MW	2015 (FY 2012-13)	Management does not agree that the Special Purpose Entity (SPE) should be included as a blended component unit on the government-wide financial statements. It is the position of the auditor that it should be included. Management feels that it would be misleading for the following reasons: (1) The District has no ownership and/or control over the SPE and in no way can it impose its will on the SPE; (2) The District will not benefit from the activities of the SPE; and (3) The District will not be responsible for any deficiency between the net proceeds of the sale of the land and the associated bond debt.	Yes

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Connerton West Community Development District	Pasco County	13-01 - Failure to Make Bond Debt Service Payments When Due: The District is not in compliance with the requirements of the Bond Indenture; it is delinquent on paying bond principal and interest. This is due to the Developer's failure to pay debt service special assessments to the District. (See PDF Pages 36 & 37 of 39)	N/A	2015 (FY 2012-13)	Subsequent to the end of FY 2013-14, the District and the Developer entered into an agreement to issue Series 2015A-2 refunding bonds to refund a portion of the 2006A-1 bonds together with all past due interest and penalties. The District will not accelerate the 2006 debt assessments; however, the delinquent assessments will remain subject to the terms of the second forbearance agreements. The District will also issue Series 2015A-1 Capital Improvement Revenue and Refunding Bonds to fund the additional capital improvements on the benefitted parcels. The District is not in default of bond obligations as of July 2015.	Yes
		13-02 - Failure to Make Debt Service Account Reserve Requirements: Debt Service Accounts for the Series 2006A Bonds were deficient at fiscal year-end. (See PDF Page 36 of 39)	N/A	2015 (FY 2012-13)	An agreement was entered between the District and the Developer to refinance a portion of the 2006 Bonds. The effect on the reserve requirement is not yet determinable.	Yes
Creekside Community Development District	St. Lucie County	2014-01 - Financial Condition Assessment: The District's financial conditions continue to deteriorate. The District reported a deficit unassigned fund balances in the general fund and debt service fund. The Developers have largely stopped funding the District, and the future of the project remains uncertain. A significant portion of the assessments levied during fiscal years 2009-2013 remain delinquent. As a result, the District did not have sufficient funds to make certain scheduled debt service payments in the prior, current, and subsequent fiscal years. (See PDF Page 30 of 31)	N/A	2015 (FY 2012-13)	The prior year response stated: The District has authorized filing of foreclosure lawsuit against one of the major landowners with delinquent assessments on their property. The District will not be able to correct the auditor's findings until successful completion of the foreclosure lawsuit and sale of the property. Current status: There has been no material additional corrective action taken by the District from what was provided in the prior response.	Yes

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Crossings At Fleming Island Community Development District, The	Clay County	2014-01 - Consideration of Financial Emergency Criteria: The District continues to meet the financial emergency conditions described in Section 218.503(1), F.S., related to the failure to make debt service reserve payments of the Golf Course Fund when due. (See PDF Page 43 of 46)	N/A	2015 (FY 2012-13)	The District completed the refunding of its Series 2000C Special Assessment Bonds and Refunding Bonds ("Series 2000C Bonds") in August 2014. As part of the refunding process, the debtholder of the subordinate debt obligations of the District's Golf Course Enterprise Fund cancelled their debt obligation. The District is also currently investing approximately \$1.5 million of capital improvements in the golf course and related facilities that should significantly improve the financial performance of the golf course. Finally, the Board will continue pursuing all available means to improve deteriorating financial condition of the golf course.	Yes
		2014-02 - Financial Condition: A deteriorating financial condition exists with respect to the Golf Course Fund and the Water and Sewer Fund. Both funds have an accumulated net position deficit for which sufficient resources were not available to cover the deficit. (See PDF Page 44 of 46)	N/A	2015 (FY 2012-13)	See response for finding #2014-01 above.	Yes
		2014-03 - Debt Administration: The District did not meet the reserve requirement on the Series 1999 Golf Course Revenue Bonds as set forth in the Trust Indenture. In a prior year, the District used reserve funds for debt service payments. (See PDF Page 44 of 46)	N/A	N/A	N/A	Yes

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Deer Run Community Development District	Flagler County	2012-01 - Debt Administration: The Debt Service reserve requirement for the Series 2008 bonds was not met at fiscal year-end. (See PDF Page 35 of 37)	N/A	2015 (FY 2012-13)	This financial condition is due to the major landowners failing to pay their annual debt service assessments securing the Series 2008 Bonds. In 2012, the District filed a Complaint for foreclosure against the major landowners, seeking to foreclose unpaid assessments due to the District. On February 13, 2014, the District, the Trustee, and major landowners entered into a settle agreement. A Special Purpose Entity (SPE) entity delayed any further litigation and places the enforcement of collecting annual debt service assessment in abeyance until the property is sold. The SPE continues to fund the operating cost of the District on a quarterly basis.	Yes
		2012-02 - Financial Condition: The District's financial condition continues to deteriorate. As of fiscal year-end, the District reported a fund balance deficit for which sufficient resources were not available to cover the deficit in the General Fund and the Debt Service Fund. The District has not had sufficient funds to make a scheduled debt service payment since November 2011 and the Series 2008 Bonds remain in default. Also, the 2008 Construction Project was halted, and the future of the project remains uncertain. (See PDF Page 35 of 37)	N/A	2015 (FY 2012-13)	See response for finding #2012-01 above.	Yes

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Durbin Crossing Community Development District	St. Johns County	2011-01 - Debt Administration: The District is not in compliance with provisions of its 2005 and 2006-1 Bond Indentures in that the District did not maintain the required reserve requirement. (See PDF Page 34 of 37)	N/A	2015 (FY 2012-13)	The District failed to make its debt service payments when due on its Special Assessment Revenue Bonds, Series 2006-1. This was due to the failure of the owner of one parcel of land to pay debt service assessments. The District pursued collection and enforcement, along with other special assessments and in May 2014 fee title to the delinquent land was obtained by a Special Purpose Entity (SPE) established by the trustee for the benefit of owners of another series of bonds (Series 2005). The District subsequently entered into a forbearance agreement with the trustee, providing for payment of debt service assessments by a date certain. The SPE currently has the parcel in question under contract to sell to a national homebuilder, and such contract requires the assessments on the parcel to be brought current. While the District did not have sufficient funds in its debt service reserve account or to make its debt service payment, the District hopes that this matter will soon be resolved.	Yes
East Naples Fire Control and Rescue District	Collier County	2014-01 - Fixed Assets: The District was unable to provide a detailed listing of certain fixed assets including associated depreciation. (See PDF Page 45 of 51)	N/A	N/A	N/A	Yes
Eastpoint Water and Sewer District	Franklin County	14-02 - General Accounting Records: Significant adjustments to the financial records were made in order for the financial statements to conform to generally accepted accounting principles. (See PDF Page 29 of 30)	MW	2015 (FY 2011-12)	The District has developed a plan of checks and balances regarding financial transactions entered into the accounting system. The duties of transaction entry and reconciliation are divided between three office staff, and each staff member has established deadlines to complete their respective portions of the required entries.	Yes

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Emerald Coast Utilities Authority	Escambia County	2013-1 - Information Technology - Documentation and Controls: The small size of the Information Technology (IT) Department places limitations on internal controls that are applicable to the Authority's IT, such as separation of duties, systems documentation, and some computer security procedures. During FY 2013-14, the Authority addressed several concerns; however, areas remain where improvements can be made. (See PDF Page 122 of 123)	N/A	2015 (FY 2012-13)	The Authority issued a Request for Proposal for the development of a long-range Information Technology (IT) Master Plan (Plan) to provide recommendations for improvements in technology controls so that the Authority could eventually resolve the remaining concerns. Through the use of the Plan, the Authority believes it has taken prudent steps to mitigate these concerns given its limited resources, and trusts that the JLAC understands that this finding cannot be feasibly eliminated until the Plan is accepted by the Board, funded at a reasonable level, and recommendations implemented to the extent resources will allow.	Yes
Fiddler's Creek Community Development District Number 2	Collier County	2010-01 - Debt Administration: The Series 2003A and 2003B reserve accounts reflect deficits at fiscal year-end. (See PDF Page 38 of 40)	N/A	2015 (FY 2012-13)	In July 2014, the District was able to successfully issue exchange bonds for the portions of the Series 2004 and Series 2005 Bonds that were directly related to the reserve requirement deficiency finding. The issuance of the exchange bonds, Series 2014-1 thru 2014-4 effectively removed the reserve fund deficiency, and as a result the condition no longer exists.	Yes
Gramercy Farms Community Development District	Osceola County	12-01 - Failure to Include Component Unit Financial Statements in the Financial Report: The Special Purpose Entities (SPEs) are not included as component units in the District's financial report. (See PDF Page 36 of 40)	MW	2015 (FY 2012-13)	Management does not agree that the Special Purpose Entity (SPE) should be included as a blended component unit on the government-wide financial statements. Management feels that it would be misleading for the following reasons: (1) The District has no ownership and/or control over the SPE and in no way can impose its will on the SPE; (2) The District will not benefit from the activities of the SPE; and (3) The District will not be responsible for any deficiency between the net proceeds of the sale and the associated bond debt.	Yes

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Gramercy Farms Community Development District (continued)	Osceola County (continued)	12-03 - Failure to Meet Debt Service Reserve Account Requirement: The District did not maintain a minimum balance in the Series 2007 Debt Service Reserve Accounts. The Debt Service Reserve Accounts were deficient at fiscal year-end. (See PDF Page 37 of 40)	N/A	2015 (FY 2012-13)	The District has taken all necessary and available actions in order to comply with the Trust Indenture. A SPE was formed and took ownership of the unplatted land. The bonds were restructured during the prior year. Due to restructure, it is uncertain as to if and when the Trustee may use funds to replenish the reserves for the unexchanged bonds.	Yes
		12-04 - Financial Condition Assessment: The District's financial conditions have deteriorated. In a prior year, the Developer failed to pay debt service assessments, causing the District to be unable to pay certain debt service payments when due. An event of default was declared, and the debt was subsequently restructured with the agreement of the bondholders. The restructured agreement requires no current payments, and the SPE is now funding the District; however, the overall effect of these actions on the District's financial condition cannot be determined at this time. (See PDF Page 38 of 40)	N/A	2015 (FY 2012-13)	The restructured agreement with the bondholders requires no current payments, and the SPE is now funding the District. The overall effect of these actions on the District's financial condition cannot be determined at this time.	Yes
Hendry-La Belle Recreation Board	Hendry County	2011-1 - Internal Control Over Financial Reporting: The Board does not currently have staff with skills and competencies necessary to prevent, detect, and correct a material misstatement in its financial statements. (See PDF Page 27 of 32)	MW	2015 (FY 2011-12)	The entity does not believe the cost of resolving the comment warrants the additional cost. If the entity employed an individual with the knowledge required, the financial cost incurred would exceed the benefit.	Yes

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Heritage Isles Community Development District	Hillsborough County	2014-01 - Financial Condition: The District failed to meet certain debt service requirements on the Series 1999 Recreational Revenue Bond. (See PDF Page 44 of 46)	N/A	2015 (FY 2012-13)	Describes brief history and current status of the District. The District's Recreational Revenue Bonds are true "revenue bonds," solely payable from and secured by the "Pledged Revenues" for the Bonds, effectively defined in the Bond Indenture as the net operating revenues from the golf course and restaurant. Therefore, if the golf course and restaurant fail to generate net operating profits, the bondholders do not receive payment. The Board has diligently worked to reduce the operational expenses and maximize profitability of the golf course related operations; however, such operations did not generate sufficient net operating revenues to make further payments on the Bonds for FY 2012-13 or FY 2013-14.	Yes
Highland Meadows Community Development District	Polk County	2014-1 -Debt Administration: The District was unable to make scheduled debt service payments due on 11/1/2009, and thereafter, which was the result of financial difficulties by the landowners in the District and resultant of non-payment of special assessments to the District. (See PDF Page 36 of 38)	N/A	2015 (FY 2012-13)	The prior year response described history and current status of the District; a Special Purpose Entity (SPE) was created to own, manage, and dispose of the land obtained through tax deed; the District, Trustee, and SPE entered into a Tri-Party Agreement, whereby the SPE assumed responsibility for the prior year debt service assessments owed to the District related to the land owned by the SPE; stated that it is the District's position is that corrective action, within the ability of the District, has been taken relating to the finding. Current status: As of July 2015, the SPE sold its remaining property. The results of the sale, as it applies to the delinquent debt service payments, have not been determined.	Yes

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Highlands Community Development District	Hillsborough County	2013-02- Reserve Requirement: The Series 2005 Debt Service reserve requirement was not met at fiscal year-end. (See PDF Page 32 of 33)	N/A	2015 (FY 2012-13)	The prior year response described history and current status of the District; foreclosure suit against developer was successful; most of property sold to new owner and proceeds used to pay debt service; some property was still being held by District for benefit of bondholders; was cooperating with them in negotiating sale of this property. Current status: There is now an executed contract for the sale of the last remaining foreclosure lands. At the sale of the final foreclosed parcel, the net sale proceeds will be paid to the District's bondholders to fully satisfy any remaining bond indebtedness. Due to the District's successful foreclosure, District staff consider the District's financial problems to be solved. The residential community within the District is thriving, and the community continues to grow.	Yes
		2014-01 - Financial Condition Assessment: In the current and prior fiscal years, the District did not have the necessary funds to make certain Series 2005 debt service payments. As a result, the debt service payments were not made. (See PDF Page 32 of 33)	N/A	2015 (FY 2012-13)	See response for finding #2013-02 above.	Yes
Holt Fire District	Okaloosa County	2014-02 - Financial Statement Preparation, Knowledge and Audit Adjustments: Due to the size of the District, the District has elected to rely on an external auditor to propose audit adjustments and prepare its annual financial statements in accordance with generally accepted accounting principles. (See PDF Page 33 of 34)	MW	N/A	N/A	Yes

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Special District	County	Audit Finding	MW or SD?	Year Last Response Received (RE: Fiscal Year)	Summary of Entity's Most Recent Response	Recommend Requiring a Written Response this Year?
Indigo Community Development District	Volusia County	2014-01 - Financial Condition Assessment: The District's financial conditions continue to deteriorate. The debt service fund had a deficit fund balance at fiscal year-end. Certain debt service payments were not made due to the failure of major landowners to pay significant portions of their assessments in the prior, current, and subsequent fiscal years. (See PDF Page 30 of 31)	N/A	2015 (FY 2012-13)	Describes history and current status of the District; major landowners failed to pay their annual debt service assessments resulting in the District utilizing funds in the reserve accounts to make debt service payments; states the District continues to communicate and coordinate with major owners, bondholders, and the trustee toward a long-term sustainable financial solution.	Yes
Lake Ashton Community Development District	Polk County	ML-12-02 - Failure to Meet Reserve Account Requirement: The District had to use amounts in reserve account to pay debt service since the Developer and two significant landowners have not paid their special assessments to the District. At fiscal year-end, the District did not meet the reserve requirement. (See PDF Page 35 of 37)	N/A	2015 (FY 2012-13)	Describes brief history and current status of the District. During FY 2014-15, the District issued refunding bonds, which refunded 100% of the District's bonds and established fully funded Reserve Accounts. This finding should be removed from the FY 2014-15 audit report since the deficit has been cured.	Yes
Lake Ashton II Community Development District	Polk County	2014-01 - Financial Condition Assessment: The District's financial conditions continue to deteriorate. Certain scheduled debt service payments were not made. In addition, the debt service funds reported a deficit fund balance at fiscal year-end. (See PDF Page 31 of 32)	N/A	N/A	N/A	Yes
Lakeside Plantation Community Development District	Sarasota County	07-01 - Failure to Meet Reserve Account Requirement: The District failed to meet the reserve requirement on the Series 1999 Bonds at fiscal year-end. (See PDF Page 34 of 36)	N/A	2015 (FY 2012-13)	Describes brief history and current status of the District. There has been no material changes in relation to the amount of funding in the District's Reserve Account. The District does not presently intend to assess landowners and residents to replenish the Reserve Account and remains under no obligation to do so. Despite the Board's ongoing interest, as of June 2015 the District has yet to be made aware of any viable refinancing options.	Yes

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Special District	County	Audit Finding	MW or SD?	Year Last Response Received (RE: Fiscal Year)	Summary of Entity's Most Recent Response	Recommend Requiring a Written Response this Year?
Lee Memorial Health System	Lee County	2010-04 - Fixed Asset Inventory: The System does not perform full physical inventories of capital assets on an annual basis. In addition, a significant amount of fully depreciated assets remain on the capital asset listing as capital assets are typically only removed from the accounting records as they are replaced. (See PDF Page 9 of 80)	N/A	N/A	N/A	Yes
Leon County Educational Facilities Authority	Leon County	2014-02 - Significant Adjustments: Numerous significant adjustments were made in order for the financial statements to be presented in accordance with generally accepted accounting principles. (PDF Pages 32 & 34 of 38)	MW	2015 (FY 2012-13)	The Authority will review more closely the monthly financial statements provided by the management companies of Southgate and Heritage Grove.	Yes
		2014-03 - Fixed Charges Coverage Ratio: The Fixed Charges Coverage Ratio for the current fiscal year was 1.01. Since the fixed charges coverage ratio is greater than 1.0 but less the 1.2, the Authority is required to engage a financial consultant acceptable to the Bond Issuer to submit a report containing recommendations to remedy the Ratio noncompliance. (PDF Pages 32 & 34 of 38)	N/A	2015 (FY 2012-13)	A consultant was hired and a report received in October 2012. Operating results for Heritage Grove for FY 2013-14 have improved. It is important to note that a Fixed Charges Coverage Ratio of 1.2 has never been achieved since the inception of Heritage Grove in 2004 and it is not anticipated to be achieved in the near future.	Yes
Longleaf Community Development District	Pasco County	12-01 - Failure to Make Debt Service Payments When Due: The District did not pay the principal or interest due on the Series 2006 Bonds in the current and prior years as a result of lack of funds. (PDF Pages 35 & 36 of 38)	N/A	N/A	N/A	Yes
		12-02 - Failure to Meet Debt Service Reserve Account Requirement: At fiscal year-end, the Series 2006 Debt Service Reserve Account was deficient. (PDF Page 35 of 38)	N/A	N/A	N/A	Yes

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Madeira Community Development District	St. Johns County	2014-01 - Financial Condition Assessment: The District's financial conditions are deteriorating. The Developer failed to pay a significant portion of its assessments during the 2010 and 2011 fiscal years. As a result, certain debt service payments due in fiscal years 2011-2014 and subsequent to fiscal year-end were not made. Also, the debt service fund reported a deficit fund balance at fiscal year-end. (See PDF Page 31 of 32)	N/A	2015 (FY 2012-13)	The District is pursuing delinquent assessments. The District is in the process of reallocated assessments and potentially restructuring the B Bond.	Yes
Magnolia Creek Community Development District	Walton County	12-01 - Failure to Meet Debt Service Reserve Requirements: The Trust Indentures require the District to keep minimum balance in the Debt Service Reserve Accounts. At fiscal year-end, the Series 2007 Debt Service Reserve Accounts were deficient. (See PDF Page 37 of 41)	N/A	2015 (FY 2012-13)	Describes brief history and current status. The District's position is that corrective action, within the ability of the District, has been taken relating to this finding.	Yes
		12-02 - Failure to Make Bond Debt Service Payments When Due: In prior years and in the current year, principal and interest were not paid when due on the Capital Improvement Revenue Bonds, Series 2007. (See PDF Pages 37-38 of 41)	N/A	2015 (FY 2012-13)	Describes brief history and current status. The District's position is that corrective action, within the ability of the District, has been taken relating to this finding.	Yes
Magnolia West Community Development District	Clay County	12-01 - Failure to Meet Debt Service Payments When Due: In the current and prior years, the District did not pay all of the principal and interest due on the Series 2006 Bonds. (See PDF Pages 36 & 37 of 39)	N/A	2015 (FY 2012-13)	During the prior year the District created a Special Purpose Entity (SPE) to own, manage, maintain and sell the Developer's land within the District that was purchased at a foreclosure sale. Funds will be used to pay bond debt when and if the SPE is successful in selling the land.	Yes
		12-02 - Failure to Meet Debt Service Reserve Account Requirement: The Trust Indenture requires the District to keep minimum balance in the Debt Service Reserve Account. At fiscal year-end, the Reserve Account was deficient. (See PDF Pages 36 & 37 of 39)	N/A	2015 (FY 2012-13)	In prior years the Trustee used funds from the debt service reserve account to make partial debt service payments which resulted in a deficiency in the debt service reserve fund. We are uncertain at this time if proceeds from a sale of the land, which and if sold, will be used to replenish the debt service reserve fund.	Yes

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Marshall Creek Community Development District	St. Johns County	2013-01 - Reserve Requirement Series 200A Bonds: As a result of draws on the Series 2000A Debt Service Reserve Account, the reserve requirement was not met at fiscal year-end. (See PDF Page 34 of 35)	N/A	N/A	N/A	Yes
		2013-02 - Reserve Requirement Series 2002 Bonds: As a result of draws on the Series 2002 Debt Service Reserve Account, the reserve requirement was not met at fiscal year-end. (See PDF Page 34 of 35)	N/A	N/A	N/A	Yes
Meadow Pointe IV Community Development District	Pasco County	14-01 - Failure to Make Bond Debt Service Payments When Due: The District has failed to make bond interest payments when due in the prior and current fiscal years, because debt service assessments are not being paid to the District due to landowner bankruptcies. (See PDF Pages 42 & 43 of 45)	N/A	2015 (FY 2012-13)	The prior year response described history and current status of the District; a Special Purpose Entity was created to own, manage, and dispose of land taken in lieu of foreclosure; Current status: In the prior year, bonds were restructured and portions of the Series 2004, 2005, and 2007 bonds were exchanged for Series 2012A-1 and A-2 bonds. Due to the lack of special assessment revenue to pay the unexchanged portion of the bonds, no principal or interest payments can be made. The District's position is that corrective action, to the extent it can be at this time, has been taken. However, the findings will remain until all lots are sold and the remaining bonds are paid or extinguished per the Trust Indenture.	Yes
		14-02 - Failure to Meet Debt Service Reserve Requirements: The District failed to meet debt service reserve requirements. (See PDF Page 42 of 45)	N/A	2015 (FY 2012-13)	At this time, there is no plan to replenish the reserves for the unexchanged portions of the 2004, 2005, and 2007 bonds. The District's position is that corrective action, to the extent it can be at this time, has been taken. However, the findings will remain until all lots are sold and the remaining bonds are paid or extinguished per the Trust Indenture.	Yes

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Meadow Pointe IV Community Development District (continued)	Pasco County (continued)	14-03 - Failure to Include Component Unit Financial Statements in the Financial Report: The Special Purpose Entity (SPE) was not included as a component unit in the District's financial report. (See PDF Page 41 of 45)	MW	2015 (FY 2012-13)	Management does not agree that the Special Purpose Entity (SPE) should be included as a blended component unit on the government-wide financial statements. It is the position of the auditor that it should be included. Management feels that it would be misleading for the following reasons: (1) The District has no ownership and/or control over the SPE and in no way can it impose its will on the SPE; (2) The District will not benefit from the activities of the SPE; and (3) The District will not be responsible for any deficiency between the net proceeds of the sale of the land and the associated bond debt.	Yes
Merritt Island Public Library District	Brevard County	2 - Cash: Cash controls for the collection of cash on book sales should be revised. (See PDF Page 27 of 32)	N/A	N/A	N/A	Yes
Middle Village Community Development District	Clay County	2014-01 - Reserve Requirement: As a result of unscheduled draws on the Debt Service Reserve Account to make certain scheduled debt service payments, the reserve requirement was not met at fiscal year-end. (See PDF Page 33 of 34)	N/A	N/A	N/A	Yes
Midtown Miami Community Development District	Miami-Dade County	2012-01 - Fund Equity: The District continues to report a net asset deficit in the Enterprise Fund for which sufficient resources were not available to cover the deficit. (See PDF Page 41 of 44)	N/A	N/A	N/A	Yes
Montecito Community Development District	Brevard County	2014-01 - Financial Condition Assessment: The District's financial conditions continue to deteriorate. The Developer and certain major landowners failed to pay a significant portion of the assessments in FY 2008-09 through FY 2013-14. (See PDF Page 32 of 33)	N/A	2015 (FY 2012-13)	The District is pursuing assessments to replenish the debt service reserve fund. If the SPE (special purpose entity) is successful in selling the delinquent property, the District is uncertain if the funds will be used to replenish the debt service account. At this time it is uncertain as to when the findings will be corrected.	Yes

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Moore Haven Mosquito Control District	Glades County	2011-001 - Annual Financial Reporting Under Generally Accepted Accounting Principles (GAAP): The District does not have an internal control policy in place over annual financial reporting that would enable management to prepare its annual financial statements and related footnote disclosures are complete and presented in accordance with GAAP. (See PDF Page 25 of 30)	MW	N/A	N/A	Yes
		2011-002 - Material Audit Adjustments: Adjustments were proposed to revise the District's financial statements at year-end. Adjustments involved the adjusting of inventory to actual balances at year-end, as well as fund balance adjustments and reclassifications. (See PDF Pages 25-26 of 30)	MW	N/A	N/A	Yes
Naturewalk Community Development District	Walton County	12-01 - Failure to Meet Debt Service Reserve Requirements: The Trust Indentures require the District to keep minimum amounts in the Debt Service Reserve Accounts. At fiscal year-end, the Series 2007 Debt Service Reserve Accounts were deficient. (See PDF Page 36 of 39)	N/A	2015 (FY 2012-13)	The reserve fund has not been replenished, and it is uncertain as to if and when this will happen.	Yes
		12-02 - Failure to Make Bond Debt Service Payments When Due: In the current year, principal and interest was not paid when due on the 2007 Bonds. (See PDF Page 36 of 39)	N/A	2015 (FY 2012-13)	As of July 2015, all past due principals and interest have been paid. The past due debt service payments were made subsequent to year end, and the reserve fund had not been replenished.	Yes

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New Port - Tampa Bay Community Development District	Hillsborough County	IC2009-002 - Debt Administration: The District is not in compliance with certain provisions of its bond indenture including those relating to: (1) levying and collecting assessments; (2) maintaining adequate funds in debt service reserve accounts; and (3) making semi-annual principal and interest payments. (See PDF Page 30 of 35)	N/A	2015 (FY 2012-13)	The prior year response describes brief history and current status of the District; a Special Purpose Entity was created and holds title to all developer-owned property within the District; stated the District was cooperating with the trustee and bondholders in negotiating a sale of this property, and the District's balance sheet would improve dramatically upon the sale of the foreclosed property. Current status: By completing the foreclosure action, the special assessments have been extinguished and the District has complied with all provisions of the trust indenture. During the past year, the District has cooperated with the bondholders and trustee in connection with a sale of the property. Until the property is sold, it is expected that the auditor will continue to report the finding. The Board of Supervisors is committed to restoring the financial condition of the District and will continue working through corrective actions until that goal is achieved.	Yes
North Palm Beach Heights Water Control District	Palm Beach County	2012-01 - Excess of Expenditures Over Appropriations: Several departments had expenditures in excess of appropriations contrary to Florida Statutes. (See PDF Page 32 of 35)	N/A	2015 (FY 2012-13)	Corrective action was taken this year, and the District budget was amended to avoid cost overruns above those as originally anticipated and stated in the adopted budget for FY 2014-15.	Yes
Overoaks Community Development District	Osceola County	2009-01 - Debt Administration: The District continues to meet conditions described in s. 218.503(1), F.S., related to the failure to make certain scheduled debt service payments. (See PDF Page 35 of 38)	N/A	N/A	N/A	Yes
		2012-01 - Fund Equity: The District continues to report a fund balance deficit for which sufficient resources were not available to cover the deficit. (See PDF Page 36 of 38)	N/A	N/A	N/A	Yes

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Palm River Community Development District	Hillsborough County	14-01 - Failure to Make Debt Service Payments When Due: During the current and prior years, the District did not pay the required principal and interest due. (See PDF Pages 36 & 37 of 39)	N/A	2015 (FY 2012-13)	The prior year response described brief history and current status of the District; stated the development did not grow as planned and homes were never sold to end users at a quantity that would sustain the District's operations and debt service requirements; further stated that the District's management company and the bondholders would continue to work with real estate advisors and counsel to make sure the development continues to grow. Current status: The findings are still relevant for FY 2013-14. Efforts have been assigned to maintaining operations and maintenance funding in order to avoid negatively impacting the residents of the District.	Yes
		14-02 - Failure to Meet Debt Service Reserve Account Requirements: The debt service reserve account requirements exceeded the balances in the Debt Service Reserve accounts at fiscal year-end. (See PDF Page 36 of 39)	N/A	2015 (FY 2012-13)	See response for finding #14-01 above.	Yes
Parker Road Community Development District	Alachua County	2014-01 - Financial Condition Assessment: The District's financial conditions continue to deteriorate. The Developer failed to pay certain assessments during the current and prior fiscal years. As a result, certain scheduled debt service payments were not made, resulting in events of default. (See PDF Page 31 of 32)	N/A	N/A	N/A	Yes

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Pine Island Community Development District	Lake County	2011-01 - Debt Administration: The District continues to meet a financial emergency condition described in s. 218.503(1), F.S., in that the District is unable to redeem the Series 2004 Utility System Bonds, which matured on 11/1/2010. This condition met as a result that the District failed to meet certain debt service requirements. (See PDF Page 39 of 42)	N/A	2015 (FY 2012-13)	The prior year response described current status of the District; stated that the owners of the vacant lots within the District continued to slowly pay their connection fees in order to build homes on their property; unfortunately, the District had been unable to correct the findings. Current status: The District has started the process of refunding their Utility System Bonds Series 2004; the material terms have been agreed upon and it is anticipated that the refunding will be completed during 2015. Upon successful refunding of the bonds, all audit comments related to account balances and payment of annual debt service will be eliminated, as the default will be cured.	Yes
		2011-02 - Debt Administration: The District did not meet the reserve requirement on the Series 2004 Utility System Bonds. In a prior year, the District used reserve funds for debt service payments. Due to the continued lack of funding by the original and successor developer, the District is unable to replenish reserve funds. (See PDF Page 40 of 42)	N/A	2015 (FY 2012-13)	See response for finding #2011-01 above.	Yes

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Portofino Cove Community Development District	Lee County	2014-01 - Financial Condition Assessment: The District's financial conditions continue to deteriorate. The debt service fund reported a deficit fund balance at fiscal year-end. (See PDF Page 30 of 31)	N/A	2015 (FY 2012-13)	The prior year response described history and current status of the District; due to developer not paying assessments; lawsuit filed seeking foreclosure on all property benefitted by specified bonds for which assessments are delinquent; successful conclusion to foreclosure proceedings would eliminate delinquent assessments financially burdening property and allow District to sell property at market value; proceeds of sale would eliminate specified bonds and fund operations. Current status: The property owned by the previous Developer for which the District filed the foreclosure complaint has changed ownership, and the foreclosure complaint has been amended. The lawsuit continues and, until concluded, the audit findings will remain a part of future audit reports.	Yes
Portofino Isles Community Development District	St. Lucie County	2014-01 - Financial Condition Assessment: The District's financial conditions continue to deteriorate. The debt service fund had a deficit fund balance at fiscal year-end. The Developer stopped funding the District during a prior fiscal year resulting in significant delinquent assessments. As a result, the District did not have sufficient funds necessary to make certain debt service payments. During a prior FY, a Special Purpose Entity (SPE) was created to own, manage, maintain, and dispose of the property comprised by the delinquent assessments, and title to such property was conveyed to the SPE. (See PDF Page 32 of 33)	N/A	2015 (FY 2012-13)	The prior year response described brief history and current status of the District; a Special Purpose Entity (SPE) was created and holds title to certain developer-owned property within the District in lieu of foreclosure; stated the SPE was funding its share of the operating cost of the District; however, the findings had not been corrected and would not be corrected until the property is sold. Current status: No material additional corrective action was taken by the District from what was provided in the prior year response.	Yes

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Portofino Landings Community Development District	St. Lucie County	2014-01 - Financial Condition Assessment: The District's financial conditions continue to deteriorate. The Developer stopped funding the District and has not paid its share of assessments for the prior, current, and subsequent years. Certain scheduled debt service payments were not made, resulting in events of default. In addition, there is a deficit in the capital projects fund due to the Developer's failure to pay certain expenses relating to the project per the completion agreement, and the future of the project remains uncertain. (See PDF Page 32 of 33)	N/A	2015 (FY 2012-13)	The prior year response stated the District's foreclosure lawsuit was slowly progressing with completion date of the lawsuit unknown at this time; the District would not be able to correct the findings until the lawsuit is completed. Current status: No material additional corrective action was taken by the District from what was provided in the prior year response.	Yes
Portofino Vista Community Development District	Osceola County	2014-01 - Financial Condition Assessment: The District's financial conditions continue to deteriorate. The Developer has not paid its share of assessments for prior, current, and subsequent fiscal years. As a result, the District did not have sufficient funds to make the scheduled debt service payments. Furthermore, the District reported deficit fund balances on the General Fund and the Debt Service Fund. (See PDF Page 30 of 31)	N/A	2015 (FY 2012-13)	The prior years' responses described the history and status of the District; developer stopped paying assessments in prior fiscal years, and the District filed a lawsuit seeking to foreclose on all property benefitted by Series 2006 Bonds for which there were delinquent assessments; the District dismissed the foreclosure lawsuit subject to negotiations of a settlement agreement between landowner, debt holders, and the District. Current status: The District entered into a settlement agreement in November 2014 and established a Special Purpose Entity (SPE) to own, maintain, and market for resale the property within the District that has delinquent assessments. Once the property is sold, the outstanding delinquent assessments will be satisfied, and the bonds secured by the assessments on this property will be paid or cancelled. Unfortunately, the District is not able to correct the findings while this process continues.	Yes

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Reunion East Community Development District	Osceola County	13-01 - Failure to Make Bond Debt Service Payments When Due: The Developer has not paid debt service special assessments to the District. Therefore, all of the debt service payments due on Series 2005 and Series 2002A-2 Bonds have not been made as of fiscal year-end. (See PDF Page 37 of 40)	N/A	2015 (FY 2012-13)	During FY 2014-15, the District refunded both the Special Assessment Bonds, Series 2002A-2 and Series 2005. All findings should be eliminated as part of the District's FY 2014-15 Annual Audit Report.	Yes
		13-02 - Failure to Meet Reserve Account Requirement: The District did not meet the reserve requirement on the Series 2005 Bonds at fiscal year-end. (See PDF Page 37 of 40)	N/A	2015 (FY 2012-13)	See response for finding #13-01 above.	Yes
River Bend Community Development District	Hillsborough County	12-01 - Failure to Meet Debt Service Reserve Account Requirement: The Series 2005 and Series 2007 Debt Service Reserve Accounts were deficient at fiscal year-end. (See PDF Page 36 of 39)	N/A	2015 (FY 2012-13)	An agreement was reached with the bondholders of the Series 2007 bonds, and interest payments are no longer a requirement of this bond series. Reserves will not be replenished as any additional funds will be used towards the payment of principal.	Yes
		12-02 - Failure to Make Debt Service Payments When Due: In the current and prior years, the District did not pay the interest due on the Series 2007 Bonds. (See PDF Pages 36-37 of 39)	N/A	2015 (FY 2012-13)	See response for finding #12-01 above.	Yes
River Glen Community Development District	Nassau County	2014-01 - Appraisal Not Performed and Land Held for Resale Not Recorded: No appraisal was performed on the property owned by the Special Purpose Entity (SPE). Consequently, no amount was recorded on the financial statements related to this asset as the market value of the property could not be determined. (See PDF Pages 34 & 35 of 36)	MW	2015 (FY 2012-13)	No appraisal has been performed on the property owned by the Special Purpose Entity; therefore, no value has been recorded in the financial statements as the market value could not be determined.	Yes

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River Glen Community Development District (continued)	Nassau County (continued)	2014-02 - Financial Condition Assessment: The District's financial conditions continue to deteriorate. The Developer failed to pay assessment during prior years, and the District foreclosed on the related property. Due to lack of sufficient funds, certain scheduled debt service payments were not made in the current and prior years. Also, the debt service fund reported a deficit fund balance at fiscal year-end. (See PDF Pages 34 & 35 of 36)	N/A	2015 (FY 2012-13)	The District and Trustee formed a Special Purpose Entity, which took title to the Developer property through foreclosure. Due to the foreclosure, the assessment lien on the property was released. As this time, it is uncertain as to when and if the property will be sold. The proceeds from the sale will go to the bondholders as payment towards the outstanding bond debt.	Yes
River Place on the St. Lucie Community Development District	St. Lucie County	ML 13-01 - Failure to Make Bond Debt Service Payments When Due: Capital Improvement Revenue Bonds Series 2001B matured in 2010 and were not paid. Interest continues to accrue and is not being paid. (See PDF Pages 34 & 35 of 37)	N/A	2015 (FY 2012-13)	The prior years' responses described the history and status of the District; developer and owner of certain accessible lands within the District failed to pay their prior year's annual assessments, and the District filed a lawsuit seeking foreclosure on the property; stated foreclosure suit was progressing slowly, but unfortunately, until the District obtains ownership of the property with delinquent assessments, the finding would not be corrected. Current status: No material additional corrective action was taken by the District from what was provided in the prior year response.	Yes
		ML 13-02 - Failure to Meet Service Reserve Account Requirement: The District did not meet the reserve requirement at fiscal year-end. (See PDF Page 34 of 37)	N/A	2015 (FY 2012-13)	See response for finding #ML 13-01 above.	Yes

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Riverwood Estates Community Development District	Pasco County	14-01 - Failure to Make Debt Service Payments When Due: In the current and prior year, the District did not make the required debt service interest and principal payments due on the Series 2006 Bonds. (See PDF Pages 38 & 39 of 41)	N/A	2015 (FY 2012-13)	Describes brief history and current status of the District; a Special Purpose Entity (SPE) was created to hold, manage and dispose of the property on behalf of the bondholders; the SPE assumed responsibility for the operations and maintenance payments, and past due and future debt service payments will be held in abeyance until the Trustee notifies the District to the contrary. The Trustee, on behalf of the bondholders, is funding the SPE using bond proceeds, which is in turn funding the District. This has resulted in the deficiency in the Debt Service Reserve Account.	Yes
		14-02 - Failure to Meet Debt Service Reserve Account Requirement: The Debt Service Reserve Account was deficient at fiscal year-end. (See PDF Page 38 of 41)	N/A	2015 (FY 2012-13)	See response for finding #14-01 above.	Yes
		14-03 - Failure to Include Component Unit Financial Statements in the Financial Report: The Special Purpose Entity (SPE) was not included as a component unit in the District's financial report. (See PDF Page 37 of 41)	MW	2015 (FY 2012-13)	Management does not agree that the SPE should be included as a blended component unit on the government-wide financial statements. Management feels that it would be misleading for the following reasons: (1) The District has no ownership and/or control over the SPE and in no way can it impose its will on the SPE; (2) The District will not benefit from the activities of the SPE; and (3) The District will not be responsible for any deficiency between the net proceeds of the sale of the land and the associated bond debt.	Yes
Rolling Hills Community Development District	Clay County	2012-01 - Debt Payments: The District failed to make the scheduled debt service payments in the current and prior fiscal years. (See PDF Page 33 of 36)	N/A	2015 (FY 2012-13)	Describes history and current status of the District. The District has and continues to work with the Developer, bondholders, and trustee toward a long-term resolution to its deteriorating financial condition.	Yes

MW = Material Weakness (see 2. In Legend)
SD = Significant Deficiency (see 3. In Legend)

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Six Mile Creek Community Development District	St. Johns County	12-01 - Failure to Make Bond Debt Service Payments When Due: The debt service payments due in the current year on the Series 2007 Bonds have not been made. The Developer has not paid current or prior year's debt service special assessments owed to the District. (See PDF Pages 34 & 35 of 38)	N/A	2015 (FY 2012-13)	Describes brief history and current status of the District. A portion of the Series 2007 Bonds still remain outstanding and in default. The District anticipates that, as the project further develops, the remaining bonds will be restructured.	Yes
		12-02 - Failure to Meet Reserve Account Requirement: The District did not meet the reserve requirement on the Series 2007 Bonds. (See PDF Page 34 of 38)	N/A	N/A	N/A	Yes
South Bay Community Development District	Hillsborough County	IC2010-01 - Supporting Documentation: The District has approximately \$365,000 of expenditures recorded relating to the Debt Service Fund that have no supporting documentation available to verify their existence, appropriateness, and proper classification. The expenditures were made from a trust account by the Bond Trustee; the District has no direct control or authority over this account. (See PDF Page 32 of 37)	MW	2015 (FY 2011-12)	The District has requested the supporting documentation from the Trustee for expenditures made by the Trustee from District Trust Accounts. The Trustee has not provided the requested information. The District will continue to request documentation from the Trustee for financial transactions processed through District accounts.	Yes
		IC2010-02 - Financial Condition: The District is not in compliance with certain provisions of its Bond Indenture including those relating to: (1) levying and collecting assessments to provide payment of debt service; (2) maintaining adequate funds in debt service reserve accounts; and (3) making its semi-annual debt service principal and interest payments. (See PDF Page 33 of 37)	N/A	2015 (FY 2011-12)	The District has engaged in five lawsuits for foreclosure against the developer and other entities behind the developer, and either judgments or settlements have been entered against or into, respectively. A Special Purpose Entity was created by the bondholders to pursue the sale of land obtained via the settlements. In March 2015, the Series 2005 Bonds were restructured and a portion was cancelled by the bondholders. The majority of the remaining Bonds were replaced by the Series 2015 Refunding Bonds. The debt service reserve finding will be resolved by the close of FY 2014-15, and it is anticipated that the financial condition finding will be resolved by the close of FY 2015-16.	Yes

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Southern Hills Plantation I Community Development District	Hernando County	2012-01 - Budget Administration: The District did not amend the General Fund budget, and actual expenditures exceeded the approved budget. (See PDF Pages 31-32 of 34)	N/A	2015 (FY 2012-13)	The District is a party to a cost sharing agreement with Southern Hills Plantation II CDD and Southern Hills Plantation III CDD whereby the District (Southern Hills I) pays certain expenses for the services that benefit all three districts. The funds were expended, but the other two districts did not reimburse the District for their portion. Therefore, these costs were included as expenses and resulted in expenditures exceeding the budget. The Board of Supervisors has not increased assessments in the District to cover the costs relating to the other two districts.	Yes
Spring Ridge Community Development District	Hernando County	2010-02 - Appraisal Not Performed and Land Held for Resale Not Recorded: No appraisal was performed on the property owned by the Special Purpose Entity. Consequently, no amount was recorded on the financial statements related to this asset as the market value of the property as of fiscal year-end could not be determined. (See PDF Pages 32 & 33 of 34)	MW	2015 (FY 2012-13)	Did not address this finding.	Yes
		2012-02 - Special Purpose Entity (SPE) Budget: The District did not adopt a Budget for the SPE Fund, a major special revenue fund as required. (See PDF Pages 32 & 33 of 34)	N/A	N/A	N/A	Yes
		2014-01 - Financial Condition Assessment: The District's financial condition continues to deteriorate. Debt service payments due in the current and prior fiscal years were not paid. Further, the debt service fund and the Special Purpose Entity (SPE) fund reported a deficit fund balance for the fiscal year. (See PDF Page 32 of 34)	N/A	2015 (FY 2012-13)	On June 3, 2015, the District's Series 2004 Bonds were exchanged for Series 2015A-1, Series 2015 A-2, and the Series 2015A-3 Bonds. The bond exchange resulted in all of the District's bonds being brought current. The District anticipates that it should start to receive its outstanding operations and maintenance assessments now that the bonds have been brought current.	Yes

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Sterling Hill Community Development District	Hernando County	12-01 - Failure to Include Component Unit Financial Statements in the Financial Report: The District did not include the Special Purpose Entities as component units in the District's financial statements. (See PDF Page 38 of 43)	MW	2015 (FY 2012-13)	Management does not agree that the Special Purpose Entities should be included as blended component units on the government-wide financial statements. Management feels that it would be misleading for the following reasons: (1) The District has no ownership and/or control over the SPE and in no way can it impose its will on the SPE; (2) The District will not benefit from the activities of the SPE; and (3) The District will not be responsible for any deficiency between the net proceeds of the sale of the land and the associated bond debt.	Yes
		12-03 - Failure to Meet Debt Service Reserve Account Requirement: The Debt Service Reserve Accounts were deficient at fiscal year-end. (See PDF Page 39 of 43)	N/A	2015 (FY 2012-13)	The prior year response stated the District was taking all necessary and available actions in order to collect both Operation & Maintenance assessments and Debt assessments. Current status: The District continues to take all necessary and available actions. Once the assessments have been collected, the Trustee, on behalf of the Bondholders, and the District will need to discuss the status of the debt service reserve funds and determine if the debt service reserve funds will be replenished to an appropriate level based on the Bond Indenture.	Yes
		12-04 - Failure to Make Debt Service Payments When Due: In current and prior years, the District did not pay principal and/or interest due on the Series 2003B and Series 2006 Bonds. (See PDF Pages 39 & 40 of 43)	N/A	2015 (FY 2012-13)	The prior year response stated the District was taking all necessary and available actions in order to collect both Operation & Maintenance assessments and Debt assessments. Once the assessments have been collected the delinquent debt service payments will be made. Current status: The District continues to take all necessary and available actions.	Yes

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Sun'n Lake of Sebring Improvement District	Highlands County	2014-01 - Financial Condition Assessment: The Debt Service Fund had a deficit fund balance at fiscal year-end. (See PDF Page 53 of 59)	N/A	2015 (FY 2012-13)	The District continues to collect payments from landowners throughout the year and remits these collections, less a 1% collection fee, to the trustee on a monthly basis. The noted deteriorating condition is not a result of the District's lack of funds, but the landowners' failure to pay the amounts assessed by the District.	Yes
Suwannee Water and Sewer District	Dixie County	2014-002 - Fixed Assets: The District does not have complete, detailed records of all its property and equipment. (See PDF Page 26 of 27)	MW	2015 (FY 2012-13)	Current management and staff are working to identify and inventory all current capital assets and to ensure that all new purchases are inventoried in a manner that will allow for more complete tracking.	Yes
Tern Bay Community Development District	Charlotte County	IC2009-01 - Financial Condition: The District is not in compliance with certain provisions of its Bond Indenture, including those relating to: (1) collecting assessments to provide payment of debt service; (2) maintaining adequate funds in debt service reserve accounts; and (3) making its semi-annual debt service principal and interest payments. (See PDF Page 32 of 36)	N/A	2015 (FY 2012-13)	The subject District bonds are in default solely due to the former developer's abandonment of the entire project, including the facts that no new developer has shown interest in acquiring the property. The District has initiated a foreclosure action on all property, subject to the assessment and has a final judgment in favor of the District. The District has thus fully complied with the obligations set forth in the bond indenture in the event of special assessment defaults and has fully cooperated with direction provided by the Trustee with respect to such defaults. There is no foreseeable conclusion to the findings unless and until another developer purchases the property and/or works out an agreeable solution to the delinquent assessments.	Yes
Tindall Hammock Irrigation and Soil Conservation District	Broward County	2011-1 - Financial Reporting: While the District has developed a website, the required financial information has not been published on the website in accordance with the requirements of Florida Statutes. (See PDF Page 53 of 55)	N/A	2015 (FY 2012-13)	This finding was corrected and not included in the FY 2013-14 Audit Report.	No

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Trails Community Development District	Duval County	2014-01 - Financial Condition Assessment: The District's financial conditions are deteriorating. A former major landowner and the Developer failed to pay their share of assessments in the prior fiscal years. As a result, the District was unable to make certain required debt service payments during the current and prior fiscal years and utilized amounts from the reserve account to pay a portion of interest payments in prior fiscal years. In addition, the debt service fund reported a deficit fund balance at the end of the fiscal year. (See PDF Page 32 of 33)	N/A	2015 (FY 2012-13)	The District has taken every available measure to comply with the trust indenture. It is uncertain if the reserves will be replenished. This depends on what happens to the land now owned by the Special Purpose Entity (SPE). The SPE is still working on engaging a developer to finish the project and/or sell the land subject to the special assessment lien. The findings will continue until the SPE is successful with either or both of the above-mentioned items. The ultimate timing and outcome are not estimable at this time.	Yes
Treeline Preserve Community Development District	Lee County	2014-01 - Financial Condition Assessment: The District's financial conditions continue to deteriorate. Due to the Developer's failure to pay the required assessments for prior, current and subsequent fiscal years, there have been insufficient amounts available to fund debt service payments from November 2010-May 2015. Additionally, during a prior fiscal year, the District filed a lawsuit seeking to foreclose on all of the land for which there are delinquent assessments. The District's activity is dependent upon the continued involvement of the Developer. (See PDF Page 30 of 31)	N/A	2015 (FY 2012-13)	The District's foreclosure lawsuit continues and the District is defending a counterclaim. The court has not provided a trial date for this case, therefore the trial may begin anytime on or after September 11, 2015. Unfortunately, the District will not be able to correct the findings until the lawsuit is completed.	Yes

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Villa Vizcaya Community Development District	St. Lucie County	2014-01 - Financial Condition Assessment: The District's financial conditions continue to deteriorate. The Developer stopped funding the District during a prior fiscal year resulting in significant delinquent assessments and unfunded contributions in prior fiscal years. As a result, the scheduled debt service payments during FY 2010-11 to FY 2013-14 were not made, resulting in events of default. (See PDF Page 31 of 32)	N/A	2015 (FY 2012-13)	The prior year response described brief history and current status of the District; a Special Purpose Entity (SPE) was created, and the developer and major landowner deeded the majority of the land within the District to the SPE in lieu of foreclosure; further stated no collection of past or future debt assessments would be made until certain provisions of a Forbearance Agreement between the District and SPE are reached and that the District is unable to correct the finding(s) at this time. Current status: No material additional corrective action was taken by the District from what was provided in the prior year response.	Yes
Villages of Bloomingdale Community Development District	Hillsborough County	2013-01 - Reserve Requirement: The District did not meet the debt service reserve requirement at fiscal year-end. (See PDF Page 31 of 34)	N/A	2015 (FY 2012-13)	Describes history and current status of the District; the District is presently investigating the viability of refinancing its outstanding bonds, the result of which would likely require the establishment of funding of a new reserve account.	Yes
Villages of Westport Community Development District	Duval County	2014-01 - Financial Condition Assessment: The District's financial conditions continue to deteriorate. Major landowners within the District failed to pay their share of the prior, current, and subsequent fiscal year assessments. As a result, certain scheduled debt service payments were not made. (See PDF Page 30 of 31)	N/A	N/A	N/A	Yes

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Waterford Estates Community Development District	Charlotte County	2014-01 - Financial Condition Assessment: The District's financial conditions continue to deteriorate. As a result of delinquent assessments for current and prior fiscal years, certain scheduled debt service payments were not made, resulting in events of default. In addition, the reserve requirement has not been met. (See PDF Page 31 of 32)	N/A	2015 (FY 2012-13)	The prior year response stated a Special Purpose Entity (SPE) was created and deeded the property formerly owned by the developer and major landowner in lieu of foreclosure; the SPE continued to own, maintain, manage and market the property for resale. However, until the property owned by the SPE was sold, the findings would not be corrected. Current status: No material additional corrective action was taken by the District from what was provided in the prior year response.	Yes
Waterlefe Community Development District (Manatee County)	Manatee County	IC2010-01 - Debt Administration: The District is not in compliance with certain provisions of its Golf Course Revenue Bond indenture, including those relating to: (1) collecting amounts to provide payment of debt service; (2) maintaining adequate funds in debt service reserve accounts; and (3) making semi-annual principal and interest payments. (See PDF Page 42 of 46)	N/A	2015 (FY 2012-13)	The District is continuing to work diligently to increase the profitability of the golf course in order to meet the requirements of the bond indenture for the Golf Course Revenue Bonds. The Bondholders have engaged consultants to provide recommendations on areas of improvement to help increase profitability of the golf course.	Yes
Waterstone Community Development District	St. Lucie County	2014-01 - Financial Condition Assessment: The District's financial conditions continue to deteriorate. The debt service fund had a deficit fund balance at fiscal year-end. Furthermore, the District did not have sufficient funds to make certain scheduled debt service payments during FY 2009-2014, and, therefore, the payments were not made, resulting in events of default. (See PDF Page 30 of 31)	N/A	2015 (FY 2012-13)	The prior year response stated the majority of the property within the District remained in the ownership of the Special Purpose Entity (SPE); therefore, no debt assessments are being collected; also stated, until the property is sold by the SPE, the District would be unable to correct the findings. The timeframe for the sale was unknown. Current status: No material additional corrective action was taken by the District from what was provided in the prior year response.	Yes

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Westgate / Belvedere Homes Community Redevelopment Agency	Palm Beach County	2013-1 - Rental Activities: Since FY 2007-08, the Agency did not properly and timely record rental income and expenses in the financial statements. Rental income was occasionally reported net of expenses paid. However, during FY 2013-14, management developed a rental policy and procedure, which was adopted by the Board of Directors on September 8, 2014. (See PDF Pages 46-47 of 49)	SD	2015 (FY 2012-13)	The Board put into place policies to strengthen the reporting of rental property activities. In FY 2015, management has been using and will continue to use the policies and procedures that were approved. The Agency will collect all rents, approve and pay for all repairs, and pay property management fees on a monthly basis. The rental property activities will be properly processed monthly in the account system.	Yes
Westridge Community Development District	Polk County	13-01 - Failure to Meet Debt Service Reserve Account Requirement: The Debt Service Reserve Account was deficient at fiscal year-end. (See PDF Page 36 of 40)	N/A	2015 (FY 2012-13)	The District created a Special Purpose Entity to own, manage and dispose of the land acquired at a foreclosure sale. Once the land is sold, any proceeds will remain in the trust estate for the benefit of the bondholders. At this time, it is uncertain as to if and when the land will be sold and what the proceeds will be.	Yes
		13-02 - Failure to Make Debt Service Payment When Due: In current and prior fiscal years, the District did not pay all principal and interest payments due on the Series 2005 Bonds. (See PDF Pages 36 & 37 of 40)	N/A	2015 (FY 2012-13)	See response for finding #13-01 above.	Yes
Westside Community Development District	Osceola County	2011-01 - Debt Administration: The District is not in compliance with certain provisions of the Trust Indentures in that the current year debt service payments were not made. (See PDF Pages 33 & 34 of 37)	N/A	2015 (FY 2012-13)	Describes brief history and current status of the District; Special Purpose Entities were created to own, maintain, and market delinquent assessment properties for resale; The economy has improved, the current real estate market is strong, and the District continues to work with all interested parties in order to enforce collection of delinquent assessments and cure the deficiencies noted in the audit report. Fortunately, all litigation/foreclosure cases involving the District have been dismissed or settled, several real estate parcels are under contract for sale to new developer(s), and a payment agreement with one landowner for past due assessments has been executed (and payments have been successfully made to date).	Yes

MW = Material Weakness (see 2. In Legend)
SD = Significant Deficiency (see 3. In Legend)

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Westside Community Development District (continued)	Osceola County (continued)	2012-01 - Financial Condition: The District reported a fund balance deficit in the Series 2005 Debt Service Fund and Series 2007 Debt Service Fund for which sufficient resources were not available to cover the deficit. (See PDF Page 35 of 37)	N/A	N/A	N/A	Yes
Withlacoochee Regional Water Supply Authority	Citrus County, Hernando County, Marion County, Sumter County	2012-1 - Citrus County Wellfield Agreements: Agreements date back to the 1980s and have been amended multiple times over the years. Some agreements appear to have not been closely monitored and fully complied with by both parties and may at this point have antiquated provisions. (See PDF Page 26 of 28)	N/A	N/A	N/A	Yes
Woodlands Community Development District, The	Sarasota County	13-01 - Failure to Make Debt Service Payments When Due: In the current and prior years, the District did not pay the principal and interest due on the Series 2004A Bonds. (See PDF Pages 34 & 35 of 37)	N/A	2015 (FY 2012-13)	The prior year response described history and current status of the District; stated Board of Supervisors were acutely aware of the financial condition of the District and desires to rectify the deficiencies identified at the earliest practical date; further stated that the condition of the general fund and the amount of outstanding payables had recently improved due to collection of some of the delinquent operations and maintenance assessments; however, foreclosure of the delinquent operations and maintenance assessments is not financially feasible; in November 2013, the Trustee and the landowners entered into a First Amendment to the Forbearance Agreement, which required the District to forbear in enforcement and collection of the delinquent debt assessments, including foreclosure, until October 31, 2017. Current status: During the past year, new construction has continued, and the District has received revenue from some tax certificate sales, which significantly improved its financial position. Expect the findings to continue throughout the period the Forbearance Agreement remains in effect.	Yes

MW = Material Weakness (see 2. In Legend)
SD = Significant Deficiency (see 3. In Legend)

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Woodlands Community Development District, The (continued)	Sarasota County (continued)	13-02 - Failure to Meet Debt Service Reserve Account Requirement: The Series 2004A Debt Service Reserve Account was deficient at fiscal year-end. (See PDF Page 34 of 37)	N/A	2015 (FY 2012-13)	See response for finding #13-01 above.	Yes
Wyld Palms Community Development District	Citrus County	14-01 - Compliance with Bond Indenture Covenants: The District has not made the required debt service payments since May 2009. Also, the District did not meet the reserve requirement on the Series 2007 Bonds at fiscal year-end. (See PDF Pages 34-35 of 36)	N/A	2015 (FY 2012-13)	Describes history and current status of the District; a Special Purpose Entity was created and holds title to all developer-owned property within the District after a successful foreclosure. The District is cooperating with the Trustee and bondholders in negotiating a sale of this property. The District's balance sheet will improve dramatically upon the sale of the foreclosed property.	Yes
Zephyr Ridge Community Development District	Pasco County	09-01 - Failure to Make Bond Debt Service Payments When Due: In the current and prior years, the District did not pay required debt service on the Series 2006 Bonds. (See PDF Pages 36 & 37 of 40)	N/A	2015 (FY 2012-13)	The District is continuing to work diligently to collect assessments in order to pay the required debt service assessments. A Special Purpose Entity was created to own, manage, and dispose of the property related to the delinquent assessments, which represent 88% of the total property within the District. Until a purchaser of the property is found or a new developer becomes involved, the debt assessments are held in abeyance; therefore, no assessments will be collected to enable the District to make the scheduled debt service payments. There is no estimate as to the timing of the resolution of this finding.	Yes
		09-02 - Failure to Meet Debt Service Reserve Requirements: The Series 2006 Debt Service Reserve Accounts were deficient at fiscal year-end. (See PDF Page 36 of 40)	N/A	2015 (FY 2012-13)	See response for finding #09-01 above. Also, upon the sale of the property, it is uncertain as to if the debt service reserve will be replenished as the proceeds from the sale will go to the Bondholders.	Yes
		12-01 - Failure to Include Component Unit Financial Statements in the Financial Report: The Special Purpose Entity is not included as a component unit in the District's financial report. (See PDF Page 35 of 40)	MW	N/A	N/A	Yes

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FOOTNOTE/LEGEND:

1. Most of these audits have been conducted by private certified public accountants, as required by Section 218.39(1), Florida Statutes.
2. **Material Weakness (MW)**: a deficiency, or combination of deficiencies, in internal control such that there is reasonable possibility that one of the following will not be prevented, or detected and corrected, on a timely basis:
 - a. a material misstatement of the entity's financial statements, or
 - b. material noncompliance with a type of compliance requirement.

For example, a deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement on a timely basis.

The severity of the deficiency would determine whether it should be classified as a material weakness, a significant deficiency, or an additional matter.

3. **Significant Deficiency (SD)**: less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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Alligator Point Water Resources District	Franklin County	2014-01 - Preparation of Financial Statements in Accordance with generally accepted accounting principles (GAAP): Staff did not have sufficient knowledge of appropriate accounting principles to prepare the GAAP-based financial statements. (See PDF Page 20 of 25)	MW	2013 (FY 2010-11)	Cost prohibitive for the District to hire an additional firm to draft financial statements and related notes in accordance with GAAP in advance of year-end audit procedures.	No
		2014-02 - Segregation of Duties: The size of the District's accounting and administrative staff precludes certain internal controls that would be preferred if staff was large enough to provide optimum segregation of duties. (See PDF Pages 20 and 22 of 25)	MW	2015 (FY 2012-13)	The District is aware of this control problem, which is due to the lack of staff and funding for additional staff. The District's Board of Directors will remain involved in the financial affairs of the District as legally acceptable and to the benefit of the District's customers.	No
Baker County Development Commission	Baker County	2014-001 - Separation of Duties: Steps should be taken to separate employee duties so that no individual has access to both physical assets and related accounting records, or all phases of a transaction. (See PDF Page 29 of 30)	MW	2013 (FY 2010-11)	Due to small staff size; describes controls added to compensate.	No
Baker County Hospital District	Baker County	2014-01 - Separation of Duties: Steps should be taken to separate employee duties so that no one individual has access to both physical assets and related accounting records, or all phases of a transaction. (See PDF Page 24 of 25)	MW	2013 (FY 2010-11)	Due to small staff size; describes controls added to compensate.	No
Beach Mosquito Control District	Bay County	2014-1 - Separation of Duties: The size of the District's accounting and administrative staff precludes certain internal controls that would be preferred if the staff was large enough to provide optimum separation of duties. The Board of Commissioners and the Director review the deposits and expenditures on a monthly basis and include their approval and comments in the minutes of the monthly Board meetings to override the lack of segregation of duties. (See PDF Pages 26 & 29 of 31)	SD	2013 (FY 2010-11)	Limited staff and limited funds; describes controls added to compensate.	No

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Big Bend Water Authority	Dixie County, Taylor County	2014-001 - Separation of Duties: Steps should be taken to separate employee duties so that no individual has access to both physical assets and related accounting records, or all phases of a transaction. (See PDF Page 30 of 31)	MW	2013 (FY 2010-11)	Small governmental entity; one person handles all accounting responsibilities; have adopted review and control oversight procedures by management and the Board of Directors, where possible.	No
Bolles Drainage District	Hendry County	2011-1 - Internal Control Over Financial Reporting: The District does not have the professional personnel needed to meet the requirements of Statement on Auditing Standards Number 115 (lack skills and competencies necessary to prevent, detect, and correct a material misstatement in its financial statements). (See PDF Page 23 of 28)	MW	2013 (FY 2010-11)	Not a sound business decision to acquire the necessary expertise due to cost; simple operation that performs very limited activities.	No
Cedar Key Special Water and Sewer District	Levy County	2014-001 - Separation of Duties: Due to the limited number of available personnel, it is not always possible to adequately segregate certain incompatible duties so that no one employee has access to both physical assets and the related accounting records, or to all phases of a transaction. (See PDF Page 22 of 23)	MW	2013 (FY 2010-11)	Small district; one person handles all accounting responsibilities; have adopted review and control oversight procedures by management and the Board of Directors, where possible.	No
Children's Services Council of Okeechobee County	Okeechobee County	2014-1 - Financial Reporting and Statement Preparation: The Council's accounting and financial reporting is handled by employees that don't have the training to record transactions and prepare financial statements in accordance with generally accepted accounting principles. (See PDF Page 27 of 33)	MW	2013 (FY 2010-11)	Limited staff; believe majority of funds should be used for children's programs rather than adult staff.	No
		2014-2 - Lack of Segregation of Duties: The Council's accounting and administrative staff precludes certain internal controls that would be preferred if the staff were large enough to provide optimum separation of duties. (See PDF Pages 27-28 of 33)	SD	2013 (FY 2010-11)	Due to limited staff; describes controls added to compensate.	No

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City-County Public Works Authority	Glades County	2010-001 - Segregation of Duties: The Authority does not have adequate separation of the accounting functions due to limited personnel. If additional separation is not feasible, the auditors recommend that Authority management implement oversight procedures to ensure the internal control policies and procedures are being followed by staff. (See PDF Page 18 of 26)	MW	2013 (FY 2010-11)	Too cost prohibitive to hire additional personnel just to achieve proper separation of duties within accounting functions.	No
		2010-002 - Audit Adjustments: It was necessary for the auditors to propose audit adjustments to revise the Authority's books at fiscal year-end. (See PDF Pages 18-19 of 26)	MW	2013 (FY 2010-11)	Long tenured staff in accounting department, but no one with CPA or governmental financial reporting training; too cost prohibitive to hire employee or consultant to prepare year-end adjusting entries in appropriate format.	No
		2010-003 - Annual Financial Reporting Under Generally Accepted Accounting Principles (GAAP): The Authority does not have an internal control policy in place over the annual financial reporting and does not have the necessary staff capacity to prepare the annual financial statements, including note disclosures. Management requested the auditors to prepare a draft of the financial statements, including the related notes. (See PDF Page 19 of 26)	MW	2013 (FY 2010-11)	Long tenured staff in accounting department, but no one with CPA or governmental financial reporting training; too cost prohibitive to hire employee or consultant to prepare financial statements in appropriate format.	No
Disston Island Conservancy District	Glades County, Hendry County	2011-1 - Internal Control Over Financial Reporting: The District does not currently have the professional personnel needed to meet the requirements of Statement of Auditing Standards Number 115 (lack skills and competencies necessary to prevent, detect, and correct a material misstatement in its financial statements). (See PDF Page 23 of 28)	MW	2013 (FY 2010-11)	Governing board has determined that cost is not a sound business decision to acquire necessary expertise.	No

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Eastpoint Water and Sewer District	Franklin County	14-01 - Separation of Duties: The District should separate duties so that no one individual has control over all phases of a transaction. (See PDF Pages 28-29 of 30)	MW	2014 (FY 2010-11)	Due to the budget constraints that a small rural community utility faces, the District's staff size is small. The District did implement one action which was to remove the office manager from having the ability to sign District checks. In addition, the District hired a third full-time employee with an accounting and banking background. Also, the duties of the office manager have since been delegated among the office staff.	No
		14-03 - Financial Reporting: Inadequate design of internal control over the preparation of the financial statements being audited gives rise to a significant deficiency in internal control. (See PDF Page 29 of 30)	MW	2014 (FY 2010-11)	As we are a small rural utility, our budget is limited. The District relies on the auditors' assistance with the preparation of the financial statements.	No
Escambia Health Facilities Authority	Escambia County	2013-1 - Segregation of Duties: In prior audits the auditors noted a lack of separation of duties due to the small size of staff. The Authority made significant efforts to mitigate risks associated with the segregation of duties. Although the Authority has taken steps, the duties of signing checks and entering transactions in the accounting system have not been fully segregated. (See PDF Page 29 of 29)	N/A	2013 (FY 2010-11)	One full-time employee; not financially feasible to hire another employee to eliminate this finding; describe procedures implemented to compensate.	No
Fellsmere Water Control District	Indian River County	#2014-1 - Separation of Duties: The limited size of the District's staff does not allow for proper separation of duties in each phase of operations. (See PDF Page 27 of 30)	SD	2013 (FY 2010-11)	Due to limited budget; not possible to hire another employee to eliminate this finding; describe procedures implemented to compensate.	No
Flaghole Drainage District	Glades County, Hendry County	2011-1 - Internal Control Over Financial Reporting: The District does not currently have the skills and competencies necessary to prevent, detect, and correct a material misstatement in its financial statements. (See PDF Page 23 of 28)	MW	2013 (FY 2010-11)	Governing board has determined that, due to cost, it is not a sound business decision to acquire necessary expertise.	No

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Flagler Estates Road and Water Control District	St. Johns County	2014-001 - Separation of Duties: Steps should be taken to separate employee duties so that no one individual has access to both physical assets and related accounting records, or all phases of a transaction. (See PDF Page 31 of 32)	MW	2013 (FY 2010-11)	Due to limited staff, not always possible to adequately separate duties; have contracted with an accounting firm to perform monthly oversight of financial records. The accounting firm now serves as treasurer.	No
		2014-002 - General Accounting Records: It was necessary for the auditors to propose material adjustments to the District's financial statements and to assist in the preparation of the financial statements in order for them to be in compliance with generally accepted accounting principles. (See PDF Page 31 of 32)	MW	2013 (FY 2010-11)	The Board, in conjunction with treasurer (accounting firm), have discussed ramifications of implementing procedures to correct condition and determined that continuing to utilize auditors for this task is in the best interest of District.	No
Fred R. Wilson Memorial Law Library	Seminole County	ITEM 1 - Improve Knowledge of Internal Control over Financial Reporting: The person responsible for the accounting and reporting functions lacks the skills and knowledge to apply generally accepted accounting principles in recording the entity's financial transactions or preparing its financial statements. The basis for this control issue is that the auditors cannot be considered part of the Library's internal control. (See PDF Page 21 of 22)	N/A	2013 (FY 2010-11)	Library has a CPA firm that prepares quarterly financial statements, opens bank statements, and starting in Jan. 2013, reviews all bank statements, revenue, and expenditures monthly; no need to train accounting staff, hire additional staff, etc. to prepare financial statements when all of this is being accomplished by CPA firm employed by Library.	No
		ITEM 2 - Internal Control: One person has the primary responsibility for most of the financial administration and financial duties. As a result, many of those aspects of internal control which rely upon an adequate separation of duties are missing in the Library. (See PDF Page 21 of 22)	N/A	2013 (FY 2010-11)	Only two employees; library not large enough to make employment of additional people cost effective; describes involvement of Board members.	No
Gladeview Water Control District	Palm Beach County	2011-1 - Internal Control Over Financial Reporting: The District does not currently have personnel with the skills and competencies necessary to prevent, detect, and correct a material misstatement in its financial statements. (See PDF Page 25 of 30)	MW	2013 (FY 2010-11)	Governing board has determined that, due to cost, it is not a sound business decision to acquire necessary expertise.	No

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Hendry Soil and Water Conservation District	Hendry County	2011-1 - Internal Control Over Financial Reporting: The District lacks the skills and competencies necessary to prevent, detect, and correct a material misstatement in its financial statements. (See PDF Page 21 of 26)	MW	2013 (FY 2010-11)	Governing board has determined that, due to cost, it is not a sound business decision to acquire necessary expertise.	No
Hendry-Hilliard Water Control District	Hendry County	2011-1 - Internal Control Over Financial Reporting: The District lacks the skills and competencies necessary to prevent, detect, and correct a material misstatement in its financial statements. (See PDF Page 24 of 29)	MW	2013 (FY 2010-11)	Governing board has determined that, due to cost, it is not a sound business decision to acquire necessary expertise.	No
Highland Glades Water Control District	Palm Beach County	2011-1 - Internal Control Over Financial Reporting: The District lacks the skills and competencies necessary to prevent, detect, and correct a material misstatement in its financial statements. (See PDF Page 22 of 27)	MW	2013 (FY 2010-11)	Governing board has determined that, due to cost, it is not a sound business decision to acquire necessary expertise.	No
Indian River Farms Water Control District	Indian River County	2014-1 - Segregation of Duties: There is an inadequate separation of duties in each phase of operations due to the limited size of the District's staff. (See PDF Page 26 of 28)	SD	2013 (FY 2010-11)	Not able to hire additional staff needed to resolve finding due to limited resources; Board involvement has been increased to compensate.	No
Lakeland Downtown Development Authority	Polk County	2010-1 - Internal Control Deficiency: There is a lack of separation of duties in the Authority's accounting functions. (See PDF Page 39 of 39)	SD	2013 (FY 2010-11)	Size of Authority precludes certain controls preferred for optimum separation of duties; Board continues to remain involved in financial affairs to provide oversight and independent review functions to compensate.	No
Marion County Law Library	Marion County	2014-1 - Separation of Duties: There is an inadequate separation of duties. One employee, the librarian, handles all of the accounting and currently is not able to prepare the financial reports in accordance with generally accepted accounting principles. (See PDF Page 24 of 25)	MW	2013 (FY 2010-11)	Small entity; describes background of Library and compensating controls implemented.	No
Municipal Service District of Ponte Vedra Beach	St. Johns County	2014-001 - Separation of Duties: There is an inadequate segregation of duties. The District has a limited number of available personnel, and it is not always possible to adequately separate incompatible duties so that no one employee has access to both physical assets and the related accounting records, or to all phases of a transaction. (See PDF Page 27 of 27)	MW	2013 (FY 2010-11)	Due to limited number of financial staff, not always possible to separate duties; have done so to extent possible.	No

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Municipal Service District of Ponte Vedra Beach (continued)	St. Johns County (continued)	2014-002 - Financial Reporting: It was necessary for the auditors to assist with the preparation of the District's financial statements, in order for the statements to be fairly presented in conformity with generally accepted accounting principles. (See PDF Page 27 of 27)	MW	2013 (FY 2010-11)	Evaluated cost-benefit and determined that it is in the best interest of District to outsource this task to auditors.	No
North Okaloosa County Fire District	Okaloosa County	2014-01 - Lack of Segregation of Duties: The District has a limited number of available personnel and it is not always possible to adequately separate incompatible duties so that no one employee has access to both physical assets and the related accounting records, or to all phases of a transaction. (See PDF Page 37 of 37)	MW	2013 (FY 2010-11)	Due to small size of District; cost to correct deficiency outweighs benefit; describes some procedures implemented to compensate.	No
		2014-02 - Financial Statement Preparation, Knowledge and Audit Adjustments: Due to the size of the District, the District has elected to rely on an external auditor to propose audit adjustments and prepare its annual financial statements in accordance with generally accepted accounting principles. (See PDF Page 37 of 37)	MW	2015 (FY 2012-13)	The District believes the cost in fully correcting the weakness outweighs the benefits derived from additional controls. The District has implemented an internal control of having Board members with years of business experience review and approve the financial statements and all audit adjustments prior to issuance of the audit report.	No
North Palm Beach Heights Water Control District	Palm Beach County	2009-01 - Segregation of Duties: There is insufficient separation of duties in the accounting department. Steps should be taken to separate employee duties so that no individual has access to both physical assets and related accounting records, or all phases of a transaction. (See PDF Page 32 of 35)	N/A	2013 (FY 2010-11)	District has no employees; describes some procedures implemented to compensate, including outside CPA who prepares monthly bank reconciliations and records all transactions into general ledger.	No
North St. Lucie River Water Control District	St. Lucie County	ML2009-1 - Lack of Segregation of Duties: The size of the District's accounting and administrative staff precludes certain internal controls that would be preferred if the office staff were large enough to provide optimum separation of duties. (See PDF Page 27 of 29)	SD	2013 (FY 2010-11)	Small district with limited resources; no funding to hire additional staff; have implemented some controls to compensate.	No

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North St. Lucie River Water Control District (continued)	St. Lucie County (continued)	ML2009-2 - Improve Knowledge of Internal Control Over Financial Reporting: The person responsible for the accounting and reporting functions lacks the skills and knowledge to apply generally accepted accounting principles in recording the entity's financial transactions or preparing its financial statements. (See PDF Page 27 of 29)	SD	2013 (FY 2010-11)	Small district with limited resources; no funding to hire additional staff to resolve finding.	No
Northwest Florida Transportation Corridor Authority	Bay County, Escambia County, Franklin County, Gulf County, Okaloosa County, Santa Rosa County, Wakulla County, Walton County	14-01 - General Accounting Records: Significant adjustments to the financial records were made in order for the financial statements to conform to generally accepted accounting principles. (See PDF Pages 22-23 of 23)	MW	2013 (FY 2010-11)	Not considered practical or economically feasible for Authority to invest in the substantial resources necessary to produce financial statements that require no proposed audit adjustments. Such resources would include additional accounting staff, investment in software, and continuing education for staff.	No
		14-02 - Financial Reporting: Inadequate design of internal control over the preparation of the financial statements being audited gives rise to a significant deficiency in internal control. Auditors assist with the preparation of the financial statements. (See PDF Page 23 of 23)	MW	2013 (FY 2010-11)	Authority does not feel that, in near future, benefits derived from investing resources necessary for Authority to prepare financial statements would outweigh cost of such resources. Also, not considered practical or economically feasible for Authority to invest in the substantial resources necessary to produce financial statements that require no proposed audit adjustments. Such resources would include additional accounting staff, investment in software, and continuing education for staff.	No
Ocean City - Wright Fire Control District	Okaloosa County	IC2007-01 - Preparation of Financial Statements in Accordance to Generally Accepted Accounting Principles (GAAP): It is necessary for the auditors to propose significant adjustments and to prepare the financial statements as the District's staff lacks the knowledge. (See PDF Page 53 of 56)	MW	2013 (FY 2010-11)	Small district with limited financial resources; not possible to employ a CPA on staff to prepare financial statements, so function has been outsourced to external auditor.	No

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Okeechobee Soil and Water Conservation District	Okeechobee County	2014-1 - Preparation of Financial Statements: The District does not have personnel with sufficient technical knowledge and training to prepare financial statements in accordance with generally accepted accounting principles. (See PDF Pages 37- 38 of 42)	MW	2013 (FY 2010-11)	Due to number of responsibilities that employee has, it is not realistic to obtain training in generally accepted accounting principles; District doesn't feel it is a proper use of funds to engage an accountant for training or review of auditor-prepared financial statements.	No
		2014-2 - Lack of Segregation of Duties: The size of the District's accounting and administrative staff precludes certain internal controls that would be preferred if the staff were large enough to provide optimum segregation of duties. (See PDF Page 38 of 42)	SD	2013 (FY 2010-11)	Only one employee handles accounting; Board remains active and reviews all transactions; describes some procedures implemented to compensate.	No
Palatka Gas Authority	Putnam County	2014-001 - Financial Reporting: Assistance was needed in the preparation of financial statements in order to ensure that they were presented in conformity with generally accepted accounting principles. (See PDF Page 21 of 22)	MW	2014 (FY 2011-12)	This Authority is a small organization with limited staff. This finding will continue to be listed for the foreseeable future. The Authority has taken steps to alleviate some inherent risks by implementing controls that prohibit an employee from having access to both the physical assets and the related accounting records.	No
Quincy-Gadsden Airport Authority	Gadsden County	2008-1 - Segregation of Duties: There is a lack of separation of duties. The Authority does not currently have any full-time employees. Separation of all incompatible duties is not currently feasible. (See PDF Pages 27 & 30 of 33)	N/A	2013 (FY 2010-11)	Due to nature and size of Authority, there is only one administrative employee; have outsourced various responsibilities as described in letter, which is most practicable solution to issue.	No
Ritta Drainage District	Hendry County, Palm Beach County	2011-1 - Internal Control Over Financial Reporting: The District does not currently have personnel with skills and competencies necessary to prevent, detect, and correct a material misstatement in its financial statements. (See PDF Page 23 of 28)	MW	2013 (FY 2010-11)	Governing board has determined that, due to cost, it is not a sound business decision to acquire necessary expertise.	No
San Carlos Estates Water Control District	Lee County	2011-1 - Internal Control Over Financial Reporting: The District does not currently have personnel with skills and competencies necessary to prevent, detect, and correct a material misstatement in its financial statements. (See PDF Page 27 of 32)	MW	2013 (FY 2010-11)	Governing board has determined that, due to cost, it is not a sound business decision to acquire necessary expertise.	No

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Seminole County Port Authority	Seminole County	Item #1 - Internal Control: There is an inadequate separation of duties. The Authority is not large enough to make the employment of additional people cost effective. (See PDF Page 26 of 27)	N/A	2013 (FY 2010-11)	Due to limited staff – one executive secretary/treasurer and one executive director; Board and management have decided from a cost/benefit analysis that it isn't practical to expend funds to employ additional personnel to correct deficiency; describes procedures implemented to compensate.	No
		Item #2 - Improve Knowledge of Internal Control over Financial Reporting: The person responsible for the accounting and reporting functions lacks the skills and knowledge to apply generally accepted accounting principles in recording the entity's financial transactions or preparing its financial statements. (See PDF Page 26 of 27)	N/A	2013 (FY 2010-11)	Board and management have decided from a cost/benefit analysis that it isn't practical to expend funds to employ additional personnel to correct deficiency; only benefit to Authority to have such internal expertise would be to remove this finding.	No
Shawano Water Control District	Palm Beach County	2011-1 - Internal Control Over Financial Reporting: The District does not currently have staff with skills and competencies necessary to prevent, detect, and correct a material misstatement in its financial statements. (See PDF Page 25 of 30)	MW	2013 (FY 2010-11)	Governing board has determined that, due to cost, it is not a sound business decision to acquire necessary expertise.	No
South Seminole and North Orange County Wastewater Transmission Authority	Orange County, Seminole County	2014-01 - Lack of Segregation of Duties: The size of the Authority's accounting and administrative staff precludes certain internal controls that would be preferred if the office staff were large enough to provide optimum segregation of duties. (See PDF Page 48 of 50)	MW	2013 (FY 2010-11)	Due to small staff (two people) and fiscal constraints, Authority cannot hire additional personnel to further separate duties; have implemented some procedures to compensate.	No
St. Augustine Port, Waterway and Beach District	St. Johns County	2014-001 - Separation of Duties: The District has a limited number of available personnel to adequately separate certain incompatible duties so that no one individual has access to both physical assets and the related accounting records, or to all phases of a transaction. (See PDF Page 26 of 27)	MW	2013 (FY 2010-11)	Small district with no full-time administrative staff; have implemented some procedures to compensate.	No

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Sugarland Drainage District	Glades County, Hendry County	2011-1 - Internal Control Over Financial Reporting: The District does not currently have personnel with skills and competencies necessary to prevent, detect, and correct a material misstatement in its financial statements. (See PDF Page 23 of 28)	MW	2013 (FY 2010-11)	Governing board has determined that, due to cost, it is not a sound business decision to acquire necessary expertise.	No
Suwannee Water and Sewer District	Dixie County	2014-001 - Separation of Duties: The District has a limited number of available personnel. It is not always possible to adequately separate certain incompatible duties so that no one employee has access to both physical assets and the related accounting records, or to all phases of a transaction. (See PDF Page 26 of 27)	MW	2013 (FY 2010-11)	Very small entity with limited number of employees; Board members involved as another layer of accountability; describes some procedures implemented to compensate.	No
		2014-003 - General Accounting Records: The auditors proposed material adjustments to the District's financial statements. It was also necessary for the auditors to assist with the preparation of the District's financial statements. (See PDF Page 26 of 27)	MW	2013 (FY 2010-11)	Very small entity with limited number of employees; District continues to improve skills of all employees through job training and encourages all employees to improve skills with other forms of formal education and training.	No

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Taylor Coastal Water and Sewer District	Taylor County	2010-1- Financial Statement Preparation: The District is not capable of drafting the financial statements and all required footnote disclosures in accordance with generally accepted accounting principles. (See PDF Pages 26-27 of 32)	SD	2015 (FY 2012-13)	The District is a very small government and has used available resources to employ a competent accountant who maintains excellent accounting records and provides accurate monthly financial reports prepared generally on a cash basis. At this time, the District believes it would not be a justifiable expense to employ another accountant on either a part-time or full-time basis to prepare the annual financial statements.	No

FOOTNOTE/LEGEND:

1. Most of these audits have been conducted by private certified public accountants, as required by Section 218.39(1), Florida Statutes.
2. **Material Weakness (MW)**: a deficiency, or combination of deficiencies, in internal control such that there is reasonable possibility that one of the following will not be prevented, or detected and corrected, on a timely basis:
 - a. a material misstatement of the entity's financial statements, or
 - b. material noncompliance with a type of compliance requirement.

For example, a deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement on a timely basis.

The severity of the deficiency would determine whether it should be classified as a material weakness, a significant deficiency, or an additional matter.

3. **Significant Deficiency (SD)**: less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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Baker Fire District	Okaloosa County	13-01 - Establish a Policy to Acquire, Safeguard, and Dispose of Capital Assets: The District conducts an annual inspection of its capital assets inventory; however, it does not reconcile the capital asset inventory schedules to the general ledger on a regular basis in order to properly record purchases and disposals. (See PDF Page 26 of 33)	MW	2014 (FY 2011-12)	As of 10/1/2014, the District has implemented regular inspection of inventory and will clearly identify purchases of capital assets on invoices. The assets will be recorded in the proper capital asset account. Also, the District has purchased QuickBooks software to keep subsidiary ledgers and has hired a part-time bookkeeper to input and maintain a capital asset subsidiary ledger which will be reconciled to a regular inventory of assets.	Yes
		13-02 - Financial Statements: The District must rely on an external auditor to prepare its annual financial statements in accordance with generally accepted accounting principles. The District's management consists of individuals who volunteer their services and do not have the education or experience needed to prepare full disclosure financial statements. (See PDF Pages 26-27 of 33)	MW	2014 (FY 2011-12)	As of 10/1/2014, the District hired a part-time bookkeeper to input transactions into QuickBooks to create a general ledger and provide financial reports to be used at monthly Board meetings in FY 2014-15.	Yes
		13-03 - Audit Adjustments: The District must rely on an external auditor to propose audit adjustments for the preparation of its annual financial statements in accordance with generally accepted accounting principles. Audit adjustments were proposed for the recording of accruals, depreciation expense, reclassification of revenues and disbursements, and capitalizing of capital asset purchases. (See PDF Page 27 of 33)	MW	2014 (FY 2011-12)	As of 10/1/2014, the District hired a part-time bookkeeper to help with the accounting and required financial reporting. The District purchased QuickBooks to create a general ledger and financial reports to be used at monthly Board meetings.	Yes
		13-04 - Audit and Annual Financial Report Submission: Required financial reports were not prepared and submitted on a timely basis. (See PDF Page 28 of 33)	MW	2014 (FY 2011-12)	As of 10/1/2014, the District hired a part-time bookkeeper and retained the services of a public accounting firm as the revenues will be consistently greater than \$100,000. We will begin submitting audited financial statements on a yearly basis by the required timelines.	Yes

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Baker Fire District (continued)	Okaloosa County (continued)	13-05 - Bank Reconciliation Process: The operating and impact fee bank accounts were not formally reconciled on a regular basis, and the reconciliations were prepared by the personnel responsible for signing the checks. The bank accounts should be reconciled on a timely basis to determine cash flows of the District and identify any improper or unapproved expenditures. (See PDF Page 28 of 33)	MW	2014 (FY 2011-12)	The District, as of 10/1/2014, will ensure bank reconciliations are reviewed by an independent board member without check-signing abilities. In addition, the District hired a part-time bookkeeper to input invoices into QuickBooks and will prepare formal bank reconciliations.	Yes
		13-06 - Board Minutes: The October 2012 board minutes did not contain a level of detail to note the approval of the fiscal budget for 2013. (See PDF Page 29 of 33)	MW	N/A	N/A	Yes
Belmont Lakes Community Development District	Broward County	2013-01 - Audit Report Filing: The District has not filed copies of the audit report for the fiscal year ended 9/30/13 required to be submitted pursuant to Florida Statutes with the Auditor General of the State of Florida. (See PDF Pages 27-28 of 28)	N/A	N/A	N/A	Yes
Campbellton- Graceville Hospital	Jackson County	13-2 - Establish Supervisory Review: The auditors noted a general lack of supervisory review of accounting transactions and month-end reconciliations. (See PDF Page 33 of 37)	N/A	2015 (FY 2011-12)	The Hospital is under new management from People's Choice Hospital and will have and do have in place regular supervised review of accounting transactions and reconciliations.	Yes
		13-3 - Financial Condition: The Hospital has experienced declining financial conditions evidenced by operating losses incurred over the past several years and has experienced cash flow problems both during and after fiscal year-end. (See PDF Page 34 of 37)	N/A	2015 (FY 2011-12)	The Hospital is under new management with People's Choice Hospital who are implementing ways to maximize reimbursements and collections. People's Choice Hospital also is a funding source and will bring other services to the Hospital.	Yes
		2013-1 - Cash: Monthly bank reconciliations for the operating cash account were not prepared in a timely manner for several months during the year. (See PDF Page 37 of 37)	SD	N/A	N/A	Yes

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City Center Community Development District	Polk County	2013-01 - Failure to Meet Debt Service Reserve Account Requirements: At 9/30/13, the Debt Service Reserve account requirements exceeded the balances in the Debt Service Reserve accounts. Therefore, the District is not in compliance with the Bond Trust Indentures. (See PDF Pages 37 & 39 of 41)	N/A	2015 (FY 2011-12)	Describes history and current status of CDD; former developer defaulted on assessment payments owed to the District, and the District's financial condition deteriorated. District was engaged in foreclosure litigation with the former developer, who filed bankruptcy in January 2014 on the eve of the foreclosure trial. Subsequently, in September 2014, the District's bondholders acquired title to the former developer's property and began the process of restoring the District's operational and financial conditions. As of April 2015, the District has received funding necessary to bring its accounts payable current and provide for general operations.	Yes
		2013-02 - Financial Condition Assessment: The District's financial conditions are deteriorating. The District has a net position deficit, net governmental funds balance deficit, debt service payments are not being made, and the Debt Service Reserve accounts balances are less than required by the Bond indentures. (See PDF Pages 37 & 40 of 41)	N/A	2015 (FY 2011-12)	See response to finding #2013-01 above.	Yes
		2013-03 - Failure to Make Debt Service Payments When Due: During FY 2012-13, the District did not make the required principal and interest payments due on the Series 1005A and Series 2007A Bonds. (See PDF Pages 37-38 & 40 of 41)	N/A	2015 (FY 2011-12)	See response to finding #2013-01 above.	Yes

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Special District	County	Audit Finding	MW or SD?	Year Last Response Received (RE: Fiscal Year)	Summary of Entity's Most Recent Response	Recommend Requiring a Written Response this Year?
Dorcas Fire District	Okaloosa County	One - Separation of Duties: There is a lack of separation of duties pertaining to separation of financial reporting duties versus financial custodian duties. #13-03 The auditor recommended that the District strengthen financial internal controls by requiring the bookkeeper to perform monthly bank reconciliations and having a Board member perform a monthly financial review of monthly financial statements, receipts and bank deposits, disbursements, the bank reconciliation, bank statements, and unpaid bills. (See PDF Pages 7 and 34-35 of 36; also see Revised Management Letter, PDF Page 1-2 of 3)	MW	FY 2011-12	No response received to 4/24/2015 JLAC letter.	Yes
Eastpoint Water and Sewer District	Franklin County	13-02 - General Accounting Records: Significant adjustments to the financial records were made in order for the financial statements to conform to generally accepted accounting principles. (See PDF Page 29 of 30)	MW	2015 (FY 2011-12)	The District has developed a plan of checks and balances regarding financial transactions entered into the accounting system. The duties of transaction entry and reconciliation are divided between three office staff, and each staff member has established deadlines to complete their respective portions of the required entries.	No (Also included on FY 2013-14 AG Notification; See Schedule 11)
Hendry-La Belle Recreation Board	Hendry County	2011-1 - Internal Control Over Financial Reporting: The Board does not currently have staff with skills and competencies necessary to prevent, detect, and correct a material misstatement in its financial statements. (See PDF Page 26 of 29)	MW	2015 (FY 2011-12)	The entity does not believe the cost of resolving the comment warrants the additional cost. If the entity employed an individual with the knowledge required, the financial cost incurred would exceed the benefit.	No (Also included on FY 2013-14 AG Notification; See Schedule 11)
South Bay Community Development District	Hillsborough County	2013-02 - No Supporting Documentation Provided for Certain Expenditures: Invoices could not be provided for certain expenditures paid for out of the Trust Accounts by the Trustee. (See PDF Page 32 of 34)	SD	2015 (FY 2011-12)	The District has requested the supporting documentation from the Trustee for expenditures made by the Trustee from District Trust Accounts. The Trustee has not provided the requested information. The District will continue to request documentation from the Trustee for financial transactions processed through District accounts.	No (Also included on FY 2013-14 AG Notification; See Schedule 11)

**Local Governmental Entities That Failed to Take Full Corrective Action in Response to a Recommendation
Included in the FY 2012-13 Fiscal Year Audit Report and the Two Preceding Audit Reports¹**

Special District	County	Audit Finding	MW or SD?	Year Last Response Received (RE: Fiscal Year)	Summary of Entity's Most Recent Response	Recommend Requiring a Written Response this Year?
South Bay Community Development District (continued)	Hillsborough County (continued)	2013-03 - Debt Service Reserve: The debt service reserve requirements were not met at fiscal year-end. Funds from the debt service reserve accounts were used for partial debt obligations and operating expenses, and, as of the report date, the reserve accounts have not been replenished. (See PDF Pages 32-33 of 34)	N/A	2015 (FY 2011-12)	The District has engaged in five lawsuits for foreclosure against the developer and other entities behind the developer, and either judgments or settlements have been entered against or into, respectively. A Special Purpose Entity was created by the bondholders to pursue the sale of land obtained via the settlements. In March 2015, the Series 2005 Bonds were restructured and a portion was cancelled by the bondholders. The majority of the remaining Bonds were replaced by the Series 2015 Refunding Bonds. Also, this finding is anticipated to be resolved by the close of FY 2014-15.	No (Also included on FY 2013-14 AG Notification; See Schedule 11)
		2013-04 - Financial Condition Assessment: It was determined that a deteriorating financial condition exists in the District. The Replacement Landowners within the District failed to pay their share of the prior, current, and subsequent fiscal years' assessments. As a result, certain scheduled debt service payments either were made, in part, by draws on the debt service reserve accounts or not made. In addition, the general fund and the debt service fund reported deficit fund balances at fiscal year-end. (See PDF Page 33 of 34)	N/A	2015 (FY 2011-12)	See response to finding #2013-03 above. Also, this finding is anticipated to be resolved by the close of FY 2015-16.	No (Also included on FY 2013-14 AG Notification; See Schedule 11)
South Dade Soil and Water Conservation District	Miami-Dade County	2006-2 - Bank Reconciliations and Journal Entries (segregation of duties): Bank reconciliations and journal entries are prepared and approved by the fee accountant. (See PDF Page 28 of 28)	SD	2014 (FY 2011-12)	Corrective action has been implemented. The District hired an administrative assistant who will be responsible for bookkeeping duties. The Chief Financial Officer (CFO) will be responsible for bank reconciliations and journal entries, thereby segregating the tasks to two staff members. The CFO will sign off on the reports.	Yes

**Local Governmental Entities That Failed to Take Full Corrective Action in Response to a Recommendation
Included in the FY 2012-13 Fiscal Year Audit Report and the Two Preceding Audit Reports¹**

Special District	County	Audit Finding	MW or SD?	Year Last Response Received (RE: Fiscal Year)	Summary of Entity's Most Recent Response	Recommend Requiring a Written Response this Year?
South Dade Soil and Water Conservation District (continued)	Miami-Dade County (continued)	2007-1 - Year-End Closing Procedures: The District had not properly closed its books for FY 2005-06. In addition, the District had not closed its books timely for FY 2006-07, FY 2007-08, and FY 2010-11. Also, the 2011 audit entries were not recorded. (See PDF Page 26 of 28)	SD	2014 (FY 2011-12)	Corrective action has been implemented. The CFO has updated all of the audit entries and is working on establishing written standard close-out procedures to ensure that all of the data is recorded, so that beginning balances will be correct for the auditor to test.	Yes
		2007-2 - Capital Assets and Depreciation: The District had not recorded depreciation for the year or capitalized equipment in accordance with its capitalization policy. (See PDF Page 27 of 28)	SD	2014 (FY 2011-12)	Corrective action has been implemented. Now that the District has hired an administrative assistant, the CFO records depreciation to the District's capital assets on a monthly basis.	Yes
		2007-5 - Use the QuickBooks Close Feature Yearly: The District uses QuickBooks software to manage the general ledger and payroll functions. However, it allows, but does not require, a "close" of each year. Transactions can be backdated to the prior period, thus changing the previously reported financial statements. A yearly close-out will eliminate the ability to backdate. (See PDF Page 27 of 28)	N/A	2014 (FY 2011-12)	Corrective action has been implemented. QuickBooks has a close-out feature that the CFO will implement every year after journal entries are entered and audited financial statements are completed. All previous fiscal years in QuickBooks have been locked down and are not accessible.	Yes
		2009-03 - Uniform Chart of Accounts: The current chart of accounts does not comply with the Uniform Chart of Accounts (UCA) published by the State of Florida Department of Financial Services (DFS). The UCA enables the DFS to provide uniform data that may be used to analyze accurately and compare special district transactions with the transactions of all other governmental entities in the state for a number of other uses. (See PDF Page 27 of 28)	N/A	2014 (FY 2011-12)	Corrective action has been implemented. The District has converted to the Uniform Chart of Accounts.	Yes

**Local Governmental Entities That Failed to Take Full Corrective Action in Response to a Recommendation
Included in the FY 2012-13 Fiscal Year Audit Report and the Two Preceding Audit Reports¹**

Special District	County	Audit Finding	MW or SD?	Year Last Response Received (RE: Fiscal Year)	Summary of Entity's Most Recent Response	Recommend Requiring a Written Response this Year?
South Dade Soil and Water Conservation District (continued)	Miami-Dade County (continued)	2011-01 - Bank Reconciliations: In order to make the bank reconciliations generated by QuickBooks as meaningful as possible, the District should reconcile the general ledger accounts for cash to the bank reconciliations on a monthly basis. Bank reconciliations were prepared timely by a responsible employee; however, no indication of any review was evident on the bank reconciliations. (See PDF Page 26 of 28)	SD	N/A	N/A	Yes
South Fork East Community Development District	Hillsborough County	2010-01 - Reserve Requirement: The District is not in compliance with the reserve requirement as outlined in the Series 2005 Bond Indenture at fiscal year-end. (See PDF Page 33 of 34)	N/A	2015 (FY 2011-12)	The District has been able to market the land and it has been purchased by a different developer. The new developer was able to make current all outstanding obligations associated with the parcels in question. At this time no further action is required.	No (This finding was not reported in the FY 2013-14 CPA audit report.)
		2011-03 - Audit Report Filing: The District did not file copies of the audit report for the fiscal years ended September 30, 2011, 2012, and 2013 with the Auditor General as required pursuant to Florida Statutes. (See PDF Page 33 of 34)	N/A	N/A	N/A	No (This finding was not reported in the FY 2013-14 CPA audit report.)

FOOTNOTE/LEGEND:

1. Most of these audits have been conducted by private certified public accountants, as required by Section 218.39(1), Florida Statutes.
2. **Material Weakness (MW)**: a deficiency, or combination of deficiencies, in internal control such that there is reasonable possibility that one of the following will not be prevented, or detected and corrected, on a timely basis:
 - a. a material misstatement of the entity's financial statements, or
 - b. material noncompliance with a type of compliance requirement.

For example, a deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement on a timely basis.

The severity of the deficiency would determine whether it should be classified as a material weakness, a significant deficiency, or an additional matter.

3. **Significant Deficiency (SD)**: less severe than a material weakness, yet important enough to merit attention by those charged with governance.

**Local Governmental Entities That Failed to Take Full Corrective Action in Response to a Recommendation
Included in the FY 2012-13 Fiscal Year Audit Report and the Two Preceding Audit Reports¹**

Special District	County	Audit Finding	MW or SD?	Year Last Response Received (RE: Fiscal Year)	Summary of Entity's Most Recent Response	Recommend Requiring a Written Response this Year?
Baker Fire District	Okaloosa County	13-07 - Lack of Segregation of Duties: The District does not have an adequate segregation of duties which allowed personnel to have check writing, credit card access, and bank reconciliation duties. (See PDF Page 29 of 33)	MW	2013 (FY 2010-11)	Due to small staff size; describes controls added to compensate.	No
Campbellton-Graceville Hospital	Jackson County	13-1 - Separation of Duties: Auditors noted a general lack of separation of duties resulting from limited staffing. The Hospital needs to review and revise internal policies and procedures in order to separate custodial and record-keeping responsibilities of current staff, where possible. (See PDF Pages 33 of 37)	N/A	2013 (FY 2010-11)	Small rural hospital with limited staff; indicates that some responsibilities have been moved around to compensate.	No
Eastpoint Water and Sewer District	Franklin County	13-01 - Separation of Duties: The District should separate duties so that no one individual has control over all phases of a transaction. (See PDF Pages 28-29 of 30)	MW	2014 (FY 2010-11)	Due to the budget constraints that a small rural community utility faces, the District's staff size is small. The District did implement one action which was to remove the office manager from having the ability to sign District checks. In addition, the District hired a third full-time employee with an accounting and banking background. Also, the duties of the office manager have since been delegated among the office staff.	No
		13-03 - Financial Reporting: Inadequate design of internal control over the preparation of the financial statements being audited gives rise to a significant deficiency in internal control. The auditors assist with the preparation of the financial statements. (See PDF Page 29 of 30)	MW	2014 (FY 2010-11)	As we are a small rural utility, our budget is limited. The District relies on the auditors' assistance with the preparation of the financial statements.	No
Levy Soil and Water Conservation District	Levy County	09-01 - Separation of Duties: There is an inadequate separation of duties as the District only has one employee; it is not always possible to adequately separate certain incompatible duties such as access to both the physical assets and the related accounting records. (See PDF Pages 23-24 of 25)	N/A	2013 (FY 2010-11)	The District is aware of the issue and has separated responsibilities as much as possible due to the size of the office, number of employees, and limited funding.	No

MW = Material Weakness (see 2. In Legend)
SD = Significant Deficiency (see 3. In Legend)

Prepared by the Staff of the Joint Legislative Auditing Committee
November 2015

**Local Governmental Entities That Failed to Take Full Corrective Action in Response to a Recommendation
Included in the FY 2012-13 Fiscal Year Audit Report and the Two Preceding Audit Reports¹**

Special District	County	Audit Finding	MW or SD?	Year Last Response Received (RE: Fiscal Year)	Summary of Entity's Most Recent Response	Recommend Requiring a Written Response this Year?
Northwest Florida Transportation Corridor Authority	Bay County, Escambia County, Franklin County, Gulf County, Okaloosa County, Santa Rosa County, Wakulla County, Walton County	13-01 - General Accounting Records: Significant adjustments to the financial records were made in order for the financial statements to conform to generally accepted accounting principles. (See PDF Page 29 of 29)	MW	2013 (FY 2010-11)	Not considered practical or economically feasible for Authority to invest in the substantial resources necessary to produce financial statements that require no proposed audit adjustments. Such resources would include additional accounting staff, investment in software, and continuing education for staff.	No
		13-02 - Financial Reporting: Inadequate design of internal control over the preparation of the financial statements being audited gives rise to a significant deficiency in internal control. Auditors assist with the preparation of the financial statements. (See PDF Page 29 of 29)	MW	2013 (FY 2010-11)	Authority does not feel that, in near future, benefits derived from investing resources necessary for Authority to prepare financial statements would outweigh cost of such resources. Also, not considered practical or economically feasible for Authority to invest in the substantial resources necessary to produce financial statements that require no proposed audit adjustments. Such resources would include additional accounting staff, investment in software, and continuing education for staff.	No

FOOTNOTE/LEGEND:

1. Most of these audits have been conducted by private certified public accountants, as required by Section 218.39(1), Florida Statutes.
2. **Material Weakness (MW)**: a deficiency, or combination of deficiencies, in internal control such that there is reasonable possibility that one of the following will not be prevented, or detected and corrected, on a timely basis:
 - a. a material misstatement of the entity's financial statements, or
 - b. material noncompliance with a type of compliance requirement.

For example, a deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement on a timely basis.

The severity of the deficiency would determine whether it should be classified as a material weakness, a significant deficiency, or an additional matter.

3. **Significant Deficiency (SD)**: less severe than a material weakness, yet important enough to merit attention by those charged with governance.

From: JIM STULTZ <JIMSTULTZ@AUD.STATE.FL.US>
Sent: Tuesday, May 26, 2015 3:11 PM
To: Dubose, Kathy
Subject: 2013-14 Fiscal Year Notification pursuant to Section 11.45(7)(j), Florida Statutes
Attachments: 2015 State Colleges Universities Recurring Findings Notification.docx

Ms. Dubose,

Section 11.45(7)(j), Florida Statutes, requires the Auditor General to notify the Legislative Auditing Committee of any financial or operational audit report prepared pursuant to Section 11.45, Florida Statutes, which indicates that a State college or university has failed to take full corrective action in response to a recommendation that was included in the two preceding financial or operational audit reports.

This email is to notify you that for the two universities on the attached list, our 2013-14 fiscal year operational audits disclosed that the universities failed to take full corrective action in response to one or more recommendations included in our two preceding financial or operational audit reports.

James R. Stultz, CPA
Audit Manager for State
Colleges and Universities
Auditor General, State of Florida
jimstultz@aud.state.fl.us
(850) 412-2869

STATE COLLEGE AND UNIVERSITY THAT FAILED TO TAKE
 FULL CORRECTIVE ACTION IN RESPONSE TO A RECOMMENDATION THAT
 WAS INCLUDED IN THE 2013-14 FISCAL YEAR FINANCIAL REPORT
 OR OPERATIONAL AUDIT AND THE TWO PRECEDING FINANCIAL OR
 OPERATIONAL AUDIT REPORTS

<u>COLLEGE / UNIVERSITY</u>	<u>REPORT NUMBERS</u>	<u>FINDING NUMBER(S)</u>
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University of Central Florida	2015-086	5
	2013-051	4
	2012-104	5

University of North Florida	2015-136	9
	2014-155	1
	2013-139	2

From: DEREK NOONAN <DEREKNOONAN@AUD.STATE.FL.US>
Sent: Friday, May 08, 2015 12:30 PM
To: ABRUZZO.JOSEPH
Cc: White, Deborah; Dubose, Kathy
Subject: Notification for 218.39(8), Florida Statutes - Charter Schools
Attachments: JLAC Letter - Findings Repeated.xlsb

Section 218.39(8), Florida Statutes, requires the Auditor General to notify the Legislative Auditing Committee of any audit report prepared pursuant to Section 218.39, Florida Statutes, which indicates that an audited entity has failed to take full corrective action in response to a recommendation that was included in the two preceding financial audit reports.

This email is sent to notify you of those charter schools for which the 2013-14 fiscal year audit report disclosed that the charter school failed to take full corrective action in response to one or more recommendations included in the two preceding financial audit reports. Please see the attached document containing the name of the charter school and a reference to the recurring finding(s).

Derek H. Noonan, Audit Supervisor
Auditor General, State of Florida
111 West Madison Street, Rm 401-P
Tallahassee, FL 32399-1450
Office (850) 412-2864
FAX (850) 488-6975

Note: In the event your response contains information that may be considered sensitive or confidential pursuant to Federal or State law, please do not send that information via e-mail. Please contact me to make alternative arrangements to provide the information.

CHARTER SCHOOLS THAT FAILED TO TAKE FULL CORRECTIVE ACTION IN RESPONSE TO A RECOMMENDATION THAT WAS INCLUDED IN THE 2013-14 FISCAL YEAR AUDIT REPORT AND THE TWO PRECEDING AUDIT REPORTS

Charter School	Finding Category	Finding Number	Page Number (1)	Revision or Addendum (2)
Academy of Environmental Science	Separation of Duties	2013-001	31	No
Archimedean Academy	Cash Controls	2008-1	36	No
Bay Haven Charter Academy Elementary School	Records Management	14-1	31	No
Bay Haven Charter Academy Middle School	Records Management	14-1	31	No
Byrneville Elementary School	Separation of Duties	2014-01	30	No
C.K. Steele - Leroy Collins Community Center Middle School	Miscellaneous	2014-1	36	No
Central Charter School	Cash Controls	2011-1	39	No
	Records Management	2012-1	39	
Chautauqua Learn and Serve at The Arc of Walton County	Separation of Duties	2012-03	23	No
Crossroad Academy Charter School	Miscellaneous	2014-01	14	No
Escambia Charter School	Separation of Duties	2009-1	6	No
Highly Inquisitive & Versatile Education Preparatory School	Miscellaneous	2012-02	36	No
Hoggetowne Middle School	Charter School Board Meeting	2014-04	22	No
Imagine Charter School at North Manatee	Other Expenditures	2014-02	37	No
Imagine School at North Port	Charter Contract Compliance	2013-1	35	No
North Bay Haven Career Academy (9-12)	Records Management	14-1	32	No
North Bay Haven Charter Academy Elementary School	Records Management	14-1	31	No
North Bay Haven Charter Academy Middle School	Records Management	14-1	32	No
Oakland Avenue Charter School	Payroll and Personnel	09-02	38	No
Royal Palm Charter School	Charter Contract Compliance	2012-1	37	No
Sebastian Charter Junior High	Separation of Duties	2014-1	29	No

Notes:

- (1) The page number listed is the PDF document page number, not the report page number.
- (2) This column indicates if there is an addendum or revised report on the Auditor General's Web site that is associated with findings from the 2013-14 fiscal year audit report that should also be viewed.

From: DOUG CONNER <DOUGCONNER@aud.state.fl.us>
Sent: Tuesday, July 21, 2015 1:55 PM
To: ABRUZZO.JOSEPH; Raulerson, Dan
Cc: Dubose, Kathy; White, Deborah; GREG CENTERS
Subject: 2013-14 Fiscal Year Notification of Recurring District School Board Findings
Attachments: 2014 DSB Recurring Findings JLAC Notification.docx

Section 11.45(7)(j), Florida Statutes, requires the Auditor General to notify the Legislative Auditing Committee of any financial or operational audit report prepared pursuant to Section 11.45, Florida Statutes, which indicates that a district school board has failed to take full corrective action in response to a recommendation that was included in the two preceding financial or operational audit reports. Also, pursuant to Section 218.39(8), Florida Statutes, the Auditor General is required to notify the Legislative Auditing Committee of any audit report prepared pursuant to Section 218.39, Florida Statutes, which indicates that a district school board has failed to take full corrective action in response to a recommendation that was included in the two preceding financial audit reports.

This email is to notify you of those district school boards for which the 2013-14 fiscal year audits disclosed that the district school board had failed to take full corrective action in response to one or more recommendations included in the two preceding financial or operational audit reports. Please see the attached document containing the name of the district school board, links to the applicable audit reports, and references to the recurring findings.

Sincerely,
Doug

Douglas R. Conner, CPA
Audit Manager

State of Florida
Office of the Auditor General
Section 311- District School Board Audits
111 W. Madison Street
Room 412E, Pepper Bldg.
Tallahassee, Florida 32399
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Email: dougconner@aud.state.fl.us
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2013-14 FISCAL YEAR LISTING OF
DISTRICT SCHOOL BOARDS THAT FAILED TO TAKE
FULL CORRECTIVE ACTION IN RESPONSE TO A RECOMMENDATION
THAT WAS INCLUDED IN TWO PRECEDING AUDIT REPORTS

<u>DISTRICT SCHOOL BOARD</u>	<u>REPORT NUMBER(S)</u>	<u>FINDING NUMBER(S)</u>
Bay	2015-147, pg. 70	Fin/Op: 2, 13, 14
	CPA Firm FY 2012-13	Financial: 13-02, 13-03, 13-04
	CPA Firm FY 2011-12	Financial: 12-04, 12-06, 12-07
Bradford	2015-138, pg. 59	Fin/Op: 3, 6, 7, 8, 9, 10, 11, 12
	2014-117	Fin/Op: 1, 4, 5, 6, 7, 8, 9, 10
	2013-084	Fin/Op: 1, 4, 5, 6, 7, 8, 9, 10
Citrus	2015-149, pg. 69	Fin/Op: 13
	2014-137	Fin/Op: 2
	2013-164	Fin/Op: 5
Columbia	2015-067, pg. 65	Fin/Op: 5
	2014-101	Fin/Op: 7
	2013-136	Fin/Op: 4
Escambia ¹	2015-075, pg. 4	Operational: 23, 24, 26
	2012-037	Operational: 9, 10, 13
	2009-029	Operational: 1, 4, 10
Franklin	2015-152, pg. 59	Fin/Op: 1, 7
	2014-142	Fin/Op: 5, 11
	2013-159	Fin/Op: 6, 10
Gadsden	2015-164, pg. 61	Fin/Op: 1, 5
	2014-171	Fin/Op: 1, 3
	2013-167	Fin/Op: 1, 3
Glades	2015-167, pg. 58	Fin/Op: 7, 8, 9, 10
	2014-153	Fin/Op: 4, 5, 6, 7
	2013-127	Fin/Op: 4

¹ Pursuant to Section 11.45, Florida Statutes, the Auditor General performs operational audits at least once every 3 years. As such, recurring operational audit findings are listed from the most recent operational audit reports.

2013-14 FISCAL YEAR LISTING OF
DISTRICT SCHOOL BOARDS THAT FAILED TO TAKE
FULL CORRECTIVE ACTION IN RESPONSE TO A RECOMMENDATION
THAT WAS INCLUDED IN TWO PRECEDING AUDIT REPORTS

<u>DISTRICT SCHOOL BOARD</u>	<u>REPORT NUMBER(S)</u>	<u>FINDING NUMBER(S)</u>
Gulf	2015-078, pg. 53	Fin/Op: 3, 6
	2014-055	Fin/Op: 1, 8
	2013-048	Fin/Op: 1, 4
Hamilton	2015-140, pg. 53	Fin/Op: 1, 2, 4
	2014-135	Fin/Op: 3, 2, 7
	2013-147	Fin/Op: 2, 1, 4
Hardee	2015-097, pg. 63	Fin/Op: 7, 8
	2014-154	Fin/Op: 4, 5
	2013-165	Fin/Op: 4, 5
Hillsborough ¹	2015-169, pg. 89	Fin/Op: 4, 9
	2012-172	Fin/Op: 8, 10
	Fin/Op: 2009-191	Fin/Op: 1
	Operational (IT): 2008-183	Operational (IT): 2
Holmes	2015-141, pg. 64	Fin/Op: 1
	2014-141	Fin/Op: 2
	2013-132	Fin/Op: 1
Jackson	2015-117, pg. 65	Fin/Op: 1
	2014-081	Fin/Op: 6
	2013-130	Fin/Op: 1
Jefferson	2015-179, pg. 60	Fin/Op: 1, 2, 4, 6, 7, 8, 11, 2014-001
	2014-177	Fin/Op: 1, 2, 3, 8, 6, 7, 12, Federal 1
	2013-154	Fin/Op: 1, 2, 4, 3, 5, 6, 8, Federal 1
Lake ¹	2015-160, pg. 81	Fin/Op: 7, 16
	2012-077	Operational: 3, 13
	2009-067	Operational: 4, 13

¹ See footnote on page 1.

2013-14 FISCAL YEAR LISTING OF
DISTRICT SCHOOL BOARDS THAT FAILED TO TAKE
FULL CORRECTIVE ACTION IN RESPONSE TO A RECOMMENDATION
THAT WAS INCLUDED IN TWO PRECEDING AUDIT REPORTS

DISTRICT SCHOOL BOARD	REPORT NUMBER(S)	FINDING NUMBER(S)
Lee ¹	2015-069, pg. 4	Operational: 7, 12
	2012-063	Operational: 6, 10
	2009-048	Operational: 5, 2
Leon ¹	Fin/Op: 2015-177, pg. 76	Fin/Op: 1 (Repeated CPA Firm FY 2012-13, No.13-01)
	Operational: 2015-088, pg. 4	Operational: 4 (Repeated CPA Firm FY 2012-13, No.13-05), 28 (Repeated 2012-136, No. 11)
	CPA Firm FY 2012-13	Financial: 13-01 (Repeated CPA Firm FY 2011-12, No. 12-06), 13-05 (Repeated 2012-136, No. 6)
	CPA Firm FY 2011-12	Financial: 12-06
	2012-136	Fin/Op: 6, 11 (Repeated 2009-189, No. 8)
	2009-189	Fin/Op: 8
Liberty	2015-118, pg. 58	Fin/Op: 5
	2014-125	Fin/Op: 14
	2013-146	Fin/Op: 6
Madison	2015-162, pg. 60	Fin/Op: 3, 4, 10, 2014-002
	2014-112	Fin/Op: 2, 1, 7, Federal 1
	2013-140	Fin/Op: 2, 1, 3, Federal 1
Manatee ^{1, 2}	CPA Firm FY 2013-14, pg. 193	Financial: 13-1, 13-10, 13-14, 13-22, 13-33
	2014-079	Operational: 1 and 22 (Repeated CPA Firm FY 2011-12, No. 12-5), 10 (Repeated 2011-050, No. 3), 14 (Repeated 2011-050, No. 4), 33 (Repeated 2011-050, No. 13)
	CPA Firm FY 2011-12	Financial: 12-5
	2011-050	Operational: 3, 4, 13

¹ See footnote on page 1.

² Pursuant to Section 218.39(8), Florida Statutes, the Auditor General must identify recurring findings included in the two preceding financial audit reports. Section 11.45(7)(j), Florida Statutes, also requires the Auditor General to identify recurring findings included in the two preceding financial or operational audit reports. The Manatee District School Board 2013-14 fiscal year financial audit report issued by the District's CPA firm identified recurring findings from previous Auditor General operational audit reports.

2013-14 FISCAL YEAR LISTING OF
DISTRICT SCHOOL BOARDS THAT FAILED TO TAKE
FULL CORRECTIVE ACTION IN RESPONSE TO A RECOMMENDATION
THAT WAS INCLUDED IN TWO PRECEDING AUDIT REPORTS

<u>DISTRICT SCHOOL BOARD</u>	<u>REPORT NUMBER(S)</u>	<u>FINDING NUMBER(S)</u>
Marion	2015-059, pg. 139	Financial: 2014-001
	CPA Firm FY 2012-13	Financial: 2013-1
	CPA Firm FY 2011-12	Financial: 2012-1
Martin	2015-071, pg. 4	Operational: 1
	2014-062	Operational: 3
	2013-040	Operational: 1
Miami-Dade ¹	2015-089, pg. 4	Operational: 4 (Repeated 2011-099, No. 4), ³ 10 (Repeated 2011-099, No. 11), ³ 11 (Repeated 2013-108, No. 4), 13 (Repeated CPA Firm FY 2011-12, No. 2012-04)
	Operational: 2013-108 Financial: CPA Firm FY 2011-12	Operational: 4 (Repeated 2011-099, No. 14) Financial: 2012-04 (Repeated 2011-099, No. 19)
	2011-099	Operational: 4 (Repeated 2008-158, No. 7), 11 (Repeated 2008-158, No. 1), 14, 19
	2008-158	Fin/Op: 7, 1
Monroe	2015-105, pg. 4	Operational: 4, 5
	2014-151	Fin/Op: 4, 6
	2013-170	Fin/Op: 10, 13
Nassau	2015-153, pg. 61	Fin/Op: 5
	2014-133	Fin/Op: 5
	2013-150	Fin/Op: 2
Palm Beach	2015-090, pg. 4	Operational: 6 (Repeated 2011-168, No. 7), ⁴ 8 (Repeated 2014-163, No. 2)
	2014-163	Fin/Op: 2 (Repeated 2011-168, No. 8)
	2011-168	Fin/Op: 7 (Repeated 2008-156, No. 14), 8
	2008-156	Fin/Op: 14

¹ See footnote on page 1.

³ The topics related to these findings were not included in the scope of audit report No. 2013-108.

⁴ The topic related to this finding was not included in the scope of audit report No. 2014-163.

2013-14 FISCAL YEAR LISTING OF
DISTRICT SCHOOL BOARDS THAT FAILED TO TAKE
FULL CORRECTIVE ACTION IN RESPONSE TO A RECOMMENDATION
THAT WAS INCLUDED IN TWO PRECEDING AUDIT REPORTS

DISTRICT SCHOOL BOARD	<u>REPORT NUMBER(S)</u>	<u>FINDING NUMBER(S)</u>
Pinellas ¹	2015-130, pg. 72	Fin/Op: 1, 2 (Repeated 2012-150, No.13), 3 (Repeated 2012-150, No. 9), 17 (Repeated CPA Firm FY 2012-13, No. 2013-004), 19 (Repeated 2012-150, No. 20)
	CPA Firm FY 2012-13	Financial: 2013-001, 2013-004 (Repeated 2012-150, No. 19)
	CPA Firm FY 2011-12	Financial: Summary Schedule of Prior Audit Findings No. 1
	2012-150	Fin/Op: 13 (Repeated 2009-186, No. 4), 9 (Repeated 2009-186, No. 9), 19, 20 (Repeated 2009-186, No. 19)
	2009-186	Fin/Op: 4, 9, 19
Putnam	2015-163, pg. 69	Fin/Op: 2, 3, 7, 10, 11, 12
	2014-170	Fin/Op: 2, 4, 9, 14, 15, 16
	2013-166	Fin/Op: 1, 2, 6, 12, 14, 15
Seminole ¹	2015-064, pg. 4	Operational: 10, 11
	2012-053	Operational: 6, 7
	2009-055	Operational: 1, 5
Taylor	2015-135, pg. 58	Fin/Op: 3
	2014-124	Fin/Op: 1
	2013-129	Fin/Op: 1
Union	2015-142, pg. 57	Fin/Op: 6
	2014-144	Fin/Op: 6
	2013-162	Fin/Op: 6
Wakulla	2015-131, pg. 61	Fin/Op: 3, 6, 7
	2014-134	Fin/Op: 1, 2, 3
	2013-169	Fin/Op: 3, 5, 6
Walton	2015-148, pg. 60	Fin/Op: 6
	2014-138	Fin/Op: 3
	2013-137	Fin/Op: 2

¹ See footnote on page 1.

2013-14 FISCAL YEAR LISTING OF
DISTRICT SCHOOL BOARDS THAT FAILED TO TAKE
FULL CORRECTIVE ACTION IN RESPONSE TO A RECOMMENDATION
THAT WAS INCLUDED IN TWO PRECEDING AUDIT REPORTS

<u>DISTRICT SCHOOL BOARD</u>	<u>REPORT NUMBER(S)</u>	<u>FINDING NUMBER(S)</u>
Washington	<u>2015-143, pg. 70</u>	Fin/Op: 4, 8, 9
	<u>2014-114</u>	Fin/Op: 1, 6, 7
	<u>2013-120</u>	Fin/Op: 4, 8, 9

From: DEREK NOONAN <DEREKNOONAN@AUD.STATE.FL.US>
Sent: Wednesday, September 30, 2015 9:10 AM
To: ABRUZZO.JOSEPH; Raulerson, Dan
Cc: White, Deborah; Dubose, Kathy
Subject: 2013-14 FY Notification Pursuant to Section 218.39(8), Florida Statutes
Attachments: 2014 PPY Findings Notification.xlsb

Section 218.39(8), Florida Statutes, requires the Auditor General to notify the Legislative Auditing Committee of any audit report prepared pursuant to Section 218.39, Florida Statutes, which indicates that an audited entity has failed to take full corrective action in response to a recommendation that was included in the two preceding financial audit reports.

This email is to notify you of those local governmental entities for which the 2013-14 fiscal year audit report disclosed that the entity failed to take full corrective action in response to one or more recommendations included in the two preceding financial audit reports.

Please contact me if you or your staff need additional information.

Derek H. Noonan, Audit Supervisor
Auditor General, State of Florida
111 West Madison Street, Rm 401-P
Tallahassee, FL 32399-1450
Office (850) 412-2864
FAX (850) 488-6975

Note: In the event your response contains information that may be considered sensitive or confidential pursuant to Federal or State law, please do not send that information via e-mail. Please contact me to make alternative arrangements to provide the information.

From: DAVID WARD
Sent: Thursday, September 24, 2015 4:16 PM
To: DEREK NOONAN <DEREKNOONAN@AUD.STATE.FL.US>
Subject: 2013-14 FY Notification Pursuant to Section 218.39(8), Florida Statutes

Local Governmental Entities That Failed To Take Full Corrective Action In Response To A Recommendation Included In The 2013-14 Fiscal Year Audit Report and the Two Preceding Financial Audit Reports

Entity ID	Entity	Constitutional Officer (For Counties)	Finding Category	CY Finding No	PY Finding No	PPY Finding No	PDF page # (1)	Revision or Addendum (2)			
COUNTIES											
C00200	Baker County	Board of County Commissioners	Separation of Duties	2014-001	2013-001	12-1	63	No			
		Board of County Commissioners	Financial Reporting	2014-002	2013-002	12-2	63				
		Clerk of the Circuit Court	Separation of Duties	2014-001	2013-001	12-1	87				
		Property Appraiser	Separation of Duties	2014-001	2013-001	12-1	157				
		Sheriff	Separation of Duties	2014-001	2013-001	12-1	114				
		Sheriff	Fixed Assets	2014-002	2013-002	12-2	114				
		Sheriff	Financial Reporting	2014-003	2013-003	12-3	114				
		Supervisor of Elections	Separation of Duties	2014-001	2013-001	12-1	176				
		Tax Collector	Separation of Duties	2014-001	2013-001	12-1	138				
C00300	Bay County	Tax Collector	General Accounting Records	2014-1	2013-1	2012-1	282	No			
C00400	Bradford County	Clerk of the Circuit Court	Separation of Duties	2009-1	2009-1	2009-1	101	No			
		Property Appraiser	Separation of Duties	2009-1	2009-1	2009-1	176				
C00500	Brevard County	Clerk of the Circuit Court	Cash	12-01	12-01	12-01	233	No			
C00700	Calhoun County	Property Appraiser	Separation of Duties	04-01	04-01	04-01	70, 127	No			
		Sheriff	Separation of Duties	04-02	04-02	04-02	155				
		Supervisor of Elections	Separation of Duties	04-01	04-01	04-01	70, 178				
		Tax Collector	Separation of Duties	TC06-01	04-02	04-02	203				
C01100	Collier County	Board of County Commissioners	Combined State and Federal Single Audit	2012-02	2012-02	2012-2	207	No			
C01500	Dixie County	Board of County Commissioners	Financial Reporting	2014-001	2013-001	12-1	66	No			
		Board of County Commissioners	Payroll and Personnel Administration	2014-002	2013-002	12-3	66				
		Board of County Commissioners	Fixed Assets	2014-003	2013-003	12-4	66				
		Clerk of the Circuit Court	Separation of Duties	2014-001	2013-001	12-1	100				
		Clerk of the Circuit Court	Cash	2014-002	2013-002	12-2	100				
		Clerk of the Circuit Court	General Accounting Records	2014-003	2013-003	12-3	100				
		Clerk of the Circuit Court	Financial Reporting	2014-004	2013-005	12-5	100				
		Sheriff	Revenues/Collections	2014-001	2013-001	12-1	126				
		Sheriff	General Accounting Records	2014-002	2013-002	12-2	126				
		Sheriff	Financial Reporting	2014-003	2013-003	12-3	126				
		Supervisor of Elections	Separation of Duties	2014-001	2013-001	12-1	184				
		Supervisor of Elections	Financial Reporting	2014-002	2013-002	12-2	184				
		C01600	Escambia County	Board of County Commissioners	Expenditures/Expenses	2014-01	2013-1		2012-1	Part 1, 222	No
C01800	Franklin County	Board of County Commissioners	Financial Reporting	2014-001	13-02	12-02	81	No			
		Clerk of the Circuit Court	Separation of Duties	2014-001	13-01	12-01	112				
		Clerk of the Circuit Court	Financial Reporting	2014-002	13-02	12-02	112				
		Property Appraiser	Financial Reporting	2014-001	13-01	12-03	189				
		Sheriff	Separation of Duties	2014-011	13-01	12-01	141				
		Sheriff	General Accounting Records	2014-02	13-02	12-02	141				
		Sheriff	Financial Reporting	2014-03	13-03	12-03	141				
		Supervisor of Elections	Separation of Duties	14-001	13-01	12-01	211				
		Supervisor of Elections	Financial Reporting	14-002	13-02	12-03	211				
		Tax Collector	Separation of Duties	2014-001	13-01	12-01	167				
		Tax Collector	Financial Reporting	2014-002	13-02	12-03	167				
		C02000	Gilchrist County	Board of County Commissioners	Financial Reporting	2014-001	2013-001		12-2	66	No
				Sheriff	Separation of Duties	2014-001	2013-001		12-2	119	
Sheriff	Fixed Assets			2014-002	2013-002	12-4	119				
C02100	Glades County	Board of County Commissioners	General Accounting Records	2010-001	2010-001	2010-001	69	No			
		Clerk of the Circuit Court	Distribution of Funds	ML 2010-001	ML 2010-001	ML 2010-01	102				
C02200	Gulf County	Sheriff	Separation of Duties	2014-001	13-01	12-01	151	No			
		Tax Collector	Financial Reporting	14-01	13-03	12-03	179				
C02400	Hardee County	Sheriff	Separation of Duties	2014-01	2013-01	2012-01	230	No			
		Supervisor of Elections	Payroll and Personnel Administration	2014-004	2013-02	2010-08	200				

**Local Governmental Entities That Failed To Take Full Corrective Action In Response To A Recommendation Included In The
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Entity ID	Entity	Constitutional Officer (For Counties)	Finding Category	CY Finding No	PY Finding No	PPY Finding No	PDF page # (1)	Revision or Addendum (2)
C02700	Highlands County	Board of County Commissioners	State Financial Assistance	2014-005	2013-005	2011-01	256	No
C02800	Hillsborough County	Board of County Commissioners	Fixed Assets	2014-002	2013-02	12-03	466	No
C02900	Holmes County	Board of County Commissioners	Financial Reporting	2010-01	2010-01	2010-01	79	No
		Clerk of the Circuit Court	Financial Reporting	2010-01	2010-01	2010-01	116	
		Property Appraiser	Financial Reporting	2010-01	2010-01	2010-01	137	
		Property Appraiser	Expenditures/Expenses	2012-02	2012-02	2012-02	138	
		Sheriff	Separation of Duties	2010-01	2010-01	2010-01	186	
		Sheriff	Financial Reporting	2010-02	2010-02	2010-02	187	
		Supervisor of Elections	Financial Reporting	2010-01	2010-01	2010-01	160	
		Tax Collector	Financial Reporting	2010-01	2010-01	2010-01	213	
		C03100	Jackson County	Board of County Commissioners	Revenues/Collections	ML 06-01	ML 06-01	
Board of County Commissioners	Payroll and Personnel Administration			ML 06-02	ML 06-02	ML 06-02	166	
Board of County Commissioners	Travel			ML 06-03	ML 06-03	ML 06-03	166	
Board of County Commissioners	Policies and Procedures			ML 06-04	ML 06-04	ML 06-04	166	
Property Appraiser	Separation of Duties			PA 06-01	PA 06-01	PA 06-01	217	
Sheriff	Separation of Duties			SH 06-01	SH 06-01	SH 06-01	244	
Tax Collector	Separation of Duties			TC 06-01	TC 06-01	TC 06-01	292	
C03200	Jefferson County	Board of County Commissioners	Separation of Duties	2008-001	2008-1	2008-1	71	No
		Board of County Commissioners	Financial Reporting	2008-002	2008-2	2008-2	71	
		Board of County Commissioners	Fixed Assets	2012-001	2012-1	2012-1	70	
		Clerk of the Circuit Court	Separation of Duties	C08-01	C08-01	C08-01	104	
		Clerk of the Circuit Court	Financial Reporting	C08-02	C08-02	C08-02	104	
		Property Appraiser	Separation of Duties	PA08-01	PA08-01	PA08-01	129	
		Property Appraiser	Financial Reporting	PA08-02	PA08-02	PA08-02	129	
		Sheriff	Separation of Duties	S08-01	S08-01	AG-01	155	
		Sheriff	Financial Reporting	S08-02	S08-2	AG-02	155	
		Supervisor of Elections	Separation of Duties	SOE08-01	SOE08-01	AG-01	178	
		Supervisor of Elections	Financial Reporting	SOE08-02	SOE08-02	AG-02	178	
		Tax Collector	Separation of Duties	TC08-01	TC08-01	TC08-01	204	
		Tax Collector	Financial Reporting	TC08-02	TC08-02	TC08-02	205	
		C03300	Lafayette County	BCC - Countywide	Financial Reporting	12-01	12-01	
Clerk of the Circuit Court	Financial Reporting			12-01	12-01	12-01	88	
Property Appraiser	Financial Reporting			12-01	12-01	12-01	167	
Sheriff	Financial Reporting			12-01	12-01	12-01	115	
Supervisor of Elections	Financial Reporting			12-01	12-01	12-01	191	
Tax Collector	Financial Reporting			12-01	12-01	12-01	141	
C03700	Levy County	Board of County Commissioners	Financial Reporting	2014-001	2013-001	12-1	76	No
		Clerk of the Circuit Court	Financial Reporting	2014-001	2013-001	12-1	105	
		Sheriff	Separation of Duties	2014-001	2013-001	12-1	131	
C03800	Liberty County	Clerk of the Circuit Court	Other Control Deficiencies and Noncompliance	10-1	10-1	AG-01	140	No
		Sheriff	Policies and Procedures	10-1	10-1	10-1	109	
C03900	Madison County	Board of County Commissioners	Revenues/Collections	2014-02	2013-03	2012-03	84	No
		Tax Collector	Separation of Duties	TC 2014-01	TC 2012-01	TC 2012-01	170	
C04250	Miami-Dade County	BCC - All Depts	Fund Equity	2014-01	2013-01	2012-01	334	No
		BCC - All Depts	Risk Management	2014-02	2013-02	2012-02	335	
C04500	Okaloosa County	Board of County Commissioners	General Accounting Records	2014-5	2012-MC-04	2012-MC-04	376	No
		Board of County Commissioners	Policies and Procedures	2014-6	2012-MC-08	2012-MC-08	377	
		Clerk of the Circuit Court	Policies and Procedures	2014-4	2012-MC-05	2012-MC-05	429	
C04600	Okeechobee County	Board of County Commissioners	Revenues/Collections	2014-001	2013-001	2012-01	141	No
C05300	Putnam County	Sheriff	Financial Reporting	2014-001	2013-001	12-1	Part 2, 55	No
C06600	Washington County	Board of County Commissioners	Federal Awards	BCC2010-01	BCC 10-01	10-01	153	No
		Board of County Commissioners	Fixed Assets	BCC1997-001	BCC 97-01	97-01	150	

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Entity ID	Entity	Constitutional Officer (For Counties)	Finding Category	CY Finding No	PY Finding No	PPY Finding No	PDF page # (1)	Revision or Addendum (2)
		Board of County Commissioners	Fixed Assets	BCC2003-001	BCC 03-01	03-01	150	No
		Board of County Commissioners	Separation of Duties	BCC2005-001	BCC 05-01	05-01	149	
		Board of County Commissioners	Financial Reporting	BCC2007-001	BCC 07-01	07-01	148	
		Board of County Commissioners	General Accounting Records	BCC2009-003	BCC 09-03	09-03	148	
		Board of County Commissioners	Revenues/Collections	BCC2009-004	BCC 09-04	09-04	148	
		Board of County Commissioners	General Accounting Records	ML 05-01	ML 05-01	ML 05-01	155	
		Board of County Commissioners	Expenditures/Expenses	ML 05-02	ML 05-02	ML 05-02	155	
		Board of County Commissioners	Purchasing/Contract Management	ML 05-03	ML 05-03	ML 05-03	155	
		Clerk of the Circuit Court	Separation of Duties	CC 03-03	CC 03-03	03-03	186	
		Clerk of the Circuit Court	Financial Reporting	CC 07-09	CC 07-09	07-09	186	
		Property Appraiser	Separation of Duties	03-03	03-03	03-03	212	
		Property Appraiser	Financial Reporting	07-11	07-11	07-11	212	
		Sheriff	Separation of Duties	03-01	03-01	03-01	238	
		Sheriff	Financial Reporting	07-10	07-10	07-10	238	
		Supervisor of Elections	Separation of Duties	SOE03-03	SOE03-03	03-03	262	
		Supervisor of Elections	Financial Reporting	SOE07-12	SOE07-12	07-12	262	
		Tax Collector	Separation of Duties	TC03-03	03-03	03-03	288	
		Tax Collector	Financial Reporting	TC07-11	07-11	07-11	288	
MUNICIPALITIES								
M00200	Alford, Town of		Separation of Duties	2007-02	2007-02	2007-02	39	No
			Financial Reporting	2007-03	2007-03	2007-03	40	
			Payroll and Personnel Administration	2010-01	2010-01	2010-01	40	
			Revenues/Collections	2011-01	2011-01	2011-01	40	
M00400	Altha, Town of		General Accounting Records	2013-001	2013-01	2009-01	39	No
			Separation of Duties	2013-002	2013-02	2009-02	39	
			Cash	2013-003	2013-03	2009-03	40	
			General Accounting Records	2013-004	2013-04	2009-04	41	
			Financial Reporting	2013-005	2013-05	2009-06	41	
			Revenues/Collections	2013-006	2013-06	2010-07	42	
			Cash	2013-007	2013-07	2011-01	42	
			Information Technology	2013-008	2013-08	2009-02	43	
			Revenues/Collections	2013-009	2013-09	2012-01	43	
			Fixed Assets	2013-010	2013-10	2009-05	44	
			Financial Reporting	2013-013	2013-13	2011-01	47	
			Budget Administration	2013-014	2013-14	2009-01	47	
			Budget Administration	2013-015	2013-15	2009-03	47	
			Financial Condition	2013-16	2013-16	2011-04	48	
M00600	Apalachicola, City of		Separation of Duties	14-01	13-02	12-02	64	No
			General Accounting Records	14-02	13-03	12-03	64	
M00900	Archer, City of		Payroll and Personnel Administration	2012-1	2012-1	2012-1	50	No
M01500	Avon Park, City of		Fixed Assets	2014-001	2013-003	2012-4	77	No
			Expenditures/Expenses	2014-002	2013-004	2011-10	81	
M02200	Bell, Town of		Financial Reporting	2009-1	2009-1	2011-1	36	No
M02900	Bellevue, City of		General Accounting Records	2014-1	2012-1	2012-1	110	No
M03100	Biscayne Park, Village of		Purchasing/Contract Management	2012-01	2012-01	2012-01	106	No
M03200	Blountstown, City of		Separation of Duties	06-01	06-01	06-01	69	No
			Financial Reporting	07-01	07-01	07-01	69	
M03400	Bonifay, City of		Financial Condition	2010-03	2010-03	10-03	58	No
			Financial Reporting	2010-01	2010-01	10-01	58	
M03500	Bowling Green, City of		General Accounting Records	14-01	13-01	12-01	49	No
M03700	Bradenton Beach, City of		Separation of Duties	2010-1	2010-1	2010-1	37	No
M03900	Branford, Town of		Financial Reporting	2010-1	2010-1	2010-1	53	No

Local Governmental Entities That Failed To Take Full Corrective Action In Response To A Recommendation Included In The 2013-14 Fiscal Year Audit Report and the Two Preceding Financial Audit Reports

Entity ID	Entity	Constitutional Officer (For Counties)	Finding Category	CY Finding No	PY Finding No	PPY Finding No	PDF page # (1)	Revision or Addendum (2)
M04100	Bristol, City of		Financial Reporting	2014-01	2011-01	2011-01	41	No
M04200	Bronson, City of		Separation of Duties	2009-1	2009-1	2009-1	31	No
			Fund Equity	ML 2009-4	ML 2009-4	ML 2009-4	33	
M04600	Bushnell, City of		Separation of Duties	2008-2	2008-2	2008-2	113	No
			Financial Condition	2011-1	2011-1	2011-1	117	
			Debt Administration	2012-2	2012-2	2012-2	117	
M04700	Callahan, Town of		Separation of Duties	2014-001	2013-001	12-1	39	No
			Financial Reporting	2014-002	2013-002	12-2	39	
M04800	Callaway, City of		Policies and Procedures	2014-07	2012-ML-02	2012-ML-02	113	No
M04900	Campbellton, Town of		Separation of Duties	04-01	04-01	04-01	45	No
			Financial Reporting	07-01	07-01	07-01	45	
M05200	Carrabelle, City of		Financial Reporting	14-01	13-01	09-01	48	No
			Separation of Duties	14-02	13-02	09-02	48	
			Fixed Assets	14-03	13-03	09-03	49	
			Cash	14-04	13-08	11-01	49	
			Policies and Procedures	14-09	13-04	09-04	53	
			Information Technology	14-10	13-05	09-05	53	
			Budget Administration	14-11	13-06	09-06	54	
			Budget Administration	14-12	13-07	09-07	54	
M05600	Cedar Key, City of		Separation of Duties	2009-1	2009-1	2009-1	36	No
M06000	Chiefland, City of		Separation of Duties	2014-001	2013-001	12-1	47	No
M06500	Clewiston, City of		Financial Reporting	2009-1	2009-1	2009-1	84	No
			Financial Condition	2012-1	2012-1	2012-1	84	
M07000	Coleman, City of		Financial Reporting	2014-1	2013-1	1	57	No
			Fixed Assets	2014-2	2013-2	2	57	
			Separation of Duties	2014-3	2013-3	3	57	
M07400	Cottontdale, City of		Separation of Duties	03-1	03-1	03-1	55	No
			Financial Reporting	07-1	07-1	07-1	55	
			General Accounting Records	09-1	09-1	09-1	56	
			General Accounting Records	09-2	09-2	09-2	57	
			Fixed Assets	2004-2	2004-2	2004-2	65	
M07700	Cross City, Town of		Separation of Duties	2014-001	2013-001	12-1	44	No
M07900	Dade City, City of		General Accounting Records	2012-01	2012-01	2012-01	82	No
M08100	Davenport, City of		Information Technology	2012-1	2013-005	2012-01	50	No
M08600	Deerfield Beach, City of		General Accounting Records	ML 08-2	ML 08-2	ML 08-2	152	No
			Payroll and Personnel Administration	ML 10-2	ML 10-2	ML 10-2	151	
			Investments	ML 11-1	ML 11-1	ML 11-1	145	
			Information Technology	ML 11-4	ML 11-4	ML 11-4	146	
			Information Technology	ML 11-5	ML 11-5	ML 11-5	147	
			Information Technology	ML 11-6	ML 11-6	ML 11-6	149	
			Information Technology	ML 11-8	ML 11-8	ML 11-8	150	
Information Technology	ML 11-9	ML 11-9	ML 11-9	151				
M09200	Dundee, Town of		Revenues/Collections	11-01	11-01	11-01	52	No
			Revenues/Collections	12-1	12-1	12-1	52	
M09900	Edgewood, City of		Fund Equity	2012-2	2012-2	1	41	No
M10400	Fanning Springs, City of		Budget Administration	2012-2	2012-2	12-2	49	No
M10500	Fellsmere, City of		Separation of Duties	2014-001	2013-FS-1	2012-FS-1	88	No
M10900	Fort Lauderdale, City of		Information Technology	2012-004	2012-4	2012-4	175	No
			Information Technology	2012-006	2012-6	2012-6	176	
M11500	Fort White, Town of		Revenues/Collections	2009-2	2009-2	2009-2	49	No
			Financial Reporting	2011-1	2011-1	2011-1	43	
M12100	Glen Saint Mary, Town of		Separation of Duties	2014-001	2013-01	12-01	37	No

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			Financial Reporting	2014-002	2013-02	12-02	37	No
M12500	Graceville, City of		Separation of Duties	2006-01	2006-01	2006-01	51	No
			Financial Reporting	2007-01	2007-01	2007-01	51	
			Revenues/Collections	2010-1	2010-1	2010-1	56	
			Fixed Assets	2012-1	2012-1	2012-1	56	
			Cash	2012-2	2012-2	2012-2	57	
M12600	Grand Ridge, Town of		Financial Reporting	14-01	11-01	11-01	38	No
M12900	Greensboro, Town of		Financial Reporting	2014-01	10-01	10-01	38	No
			Separation of Duties	2014-02	10-02	10-02	38	
M13000	Greenville, Town of		Financial Reporting	2014-01	2013-01	10-01	43	No
			Separation of Duties	2014-02	2013-02	11-02	43	
			Policies and Procedures	2014-03	2013-04	12-05	44	
			Debt Administration	2014-05	2013-09	11-03	45	
M13100	Greenwood, Town of		Separation of Duties	05-01	05-01	05-01	34	No
			Financial Reporting	07-01	07-01	07-01	34	
M13200	Gretna, Town of		General Accounting Records	2011-03	2011-03	2011-03	61	No
M13700	Haines City, City of		Information Technology	2014-01	2013-04	12-03	117	No
M14000	Hastings, Town of		Separation of Duties	2014-001	2013-001	12-1	39	No
			General Accounting Records	2014-002	2013-002	12-2	39	
M14500	Hialeah, City of		Fund Equity	2014-02	2007-7	2007-7	176	No
M14600	High Springs, City of		Policies and Procedures	2011-1	2011-1	2011-1	51	No
M15000	Hilliard, Town of		Financial Reporting	2009-1	2009-01	2009-1	61	No
M15600	Horseshoe Beach, Town of		Financial Reporting	2011-1	2011-1	2011-1	46	No
M15700	Howey-in-the-Hills, Town of		Financial Reporting	2014-001	2013-001	12-1	50	No
M15900	Indialantic, City of		General Accounting Records	IC 2012-01	IC 2012-01	IC 2012-01	72	No
M16500	Inglis, Town of		Separation of Duties	2014-001	2013-001	12-1	42	No
M16600	Interlachen, Town of		Financial Reporting	2007-01	2007-01	2007-01	41	No
M17100	Jacob City, City of		Separation of Duties	2014-001	13-01	12-01	30	No
			General Accounting Records	2014-002	13-02	12-02	30	
			Separation of Duties	07-1	07-1	07-1	38	
M17300	Jay, Town of		Separation of Duties	07-1	07-1	07-1	38	No
M17400	Jennings, Town of		Separation of Duties	14-01	13-01	12-01	64	No
			Financial Reporting	14-02	13-02	12-02	64	
M17800	Jupiter, Town of		Purchasing/Contract Management	2010-3	2010-3	2010-3	133	No
M18500	LaBelle, City of		Financial Reporting	2009-1	2009-1	2009-1	81	No
M19000	Lake Butler, City of		Financial Reporting	2009-1	2009-1	2009-1	54	No
M19300	Lake Hamilton, Town of		Separation of Duties	2009-1	2009-1	2009-1	42	No
			Policies and Procedures	2009-10	2009-10	2009-10	42	
			Revenues/Collections	2010-COM02	2010-COM02	2010-05	80	
M19400	Lake Helen, City of		Purchasing/Contract Management	2010-SD02	2010-SD02	ML 2010-01	79	No
			General Accounting Records	ML 2008-02	ML 2008-02	ML 2008-02	86	
			Financial Condition	2011-2	2011-2	2011-2	142	
M19600	Lake Park, Town of		Policies and Procedures	2013-1	2013-1	2001-1	139	No
			Fixed Assets	2008-SD-05	2008-SD-05	M-08-05	187	
M19900	Lake Worth, City of		Fixed Assets	2008-SD-05	2008-SD-05	M-08-05	187	No
M20000	Lakeland, City of		Information Technology	2014-1	2013-2	07-3	221	No
M20300	Lauderdale Lakes, City of		General Accounting Records	2010-02	2010-02	2012-01	136	No
			Cash	2011-05	2011-05	2012-02	137	
			General Accounting Records	2012-04	2012-04	2012-04	138	
			Purchasing/Contract Management	2012-06	2012-06	2012-06	139	
M20700	Lawtey, City of		Separation of Duties	2014-1	2013-1	2010-1	35	Yes
			Financial Reporting	2014-2	2013-2	2010-2	35	
M21300	Live Oak, City of		General Accounting Records	2012-2	2012-2	2012-2	89	No
M21700	Macclenny, City of		Separation of Duties	2014-01	2013-1	12-1	52	No

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			Financial Reporting	2014-02	2013-2	12-2	52	No
M21900	Madison, City of		Financial Reporting	2012-1	2012-1	2012-1	69	No
M22200	Malone, Town of		Separation of Duties	04-01	04-01	04-01	43	No
			Financial Reporting	07-1	07-1	07-1	43	
M22400	Mangonia Park, Town of		Fixed Assets	2009-02	2009-02	2009-02	44	No
			Budget Administration	2011-03	2011-03	2011-03	48	
			Purchasing/Contract Management	2012-01	2012-01	2012-01	45	
M22600	Marianna, City of		Separation of Duties	03-01	03-01	03-01	81	No
M23000	Mayo, Town of		Revenues/Collections	2007-1	2007-1	2007-1	46	No
			Financial Reporting	2011-1	2011-1	2011-1	44	
M23200	Medley, Town of		Separation of Duties	2014-01	2013-01	2012-01	69	No
			Fixed Assets	2014-02	2013-02	2012-02	69	
			Revenues/Collections	2014-03	2013-03	2012-03	70	
M23500	Melbourne Village, Town of		General Accounting Records	001	001	001	43	No
M24100	Micanopy, Town of		Financial Reporting	2011-1	2011-1	2011-1	43	No
M24300	Milton, City of		Cash	2014-1	2010-01	2010-01	99	No
M24500	Miramar, City of		Information Technology	ML 2011-03	ML 2011-03	ML 2011-03	240	No
			Information Technology	ML 2013-02	ML 2013-02	ML 2011-02	241	
M24600	Monticello, City of		Financial Reporting	14-01	13-01	12-01	55	No
M24800	Moore Haven, City of		Financial Reporting	2010-001	2010-001	2010-01	74	No
			General Accounting Records	2010-002	2010-002	2010-02	74	
M25000	Mulberry, City of		General Accounting Records	13-01	13-01	2010-2	56	Yes
M25300	New Port Richey, City of		Revenues/Collections	2014-10	MLC 2013-02	MLC 2012-02	170	No
			Revenues/Collections	MLC 2013-01	MLC 2013-01	MLC 2012-01	172	
M25800	North Bay Village, City of		Fixed Assets	2006-01	2006-1	2006-01	106	No
			Cash	2009-01	2009-1	2009-01	105	
M26000	North Miami, City of		General Accounting Records	2014-01	2013-01	2012-01	205	Yes
M26100	North Miami Beach, City of		General Accounting Records	2009-3	09-3	09-3	161	No
			Revenues/Collections	2011-1	11-1	11-1	160	
M26500	Oak Hill, City of		Fixed Assets	2009 SD01	2009 SD01	2009-01	59	No
			Separation of Duties	2009 SD02	2009 SD02	2009-02	60	
			General Accounting Records	2012 SD01	2012 SD01	2012-01	60	
			Distribution of Funds	ML 2011-04	ML 2011-04	ML 2011-04	65	
			Financial Reporting	ML 2011-05	ML 2011-05	ML 2011-05	65	
			Payroll and Personnel Administration	ML 2011-06	ML 2011-06	ML 2011-06	66	
M26600	Oakland, Town of		Revenues/Collections	10-01	10-01	10-01	53	No
			Expenditures/Expenses	10-02	10-02	10-02	53	
			Payroll and Personnel Administration	10-04	10-04	10-04	54	
			General Accounting Records	10-05	10-05	10-05	54	
			Revenues/Collections	10-06	10-06	10-06	54	
			General Accounting Records	11-4	11-4	11-4	54	
			General Accounting Records	11-5	11-5	11-5	55	
			Fixed Assets	12-3	12-3	12-3	55	
			Revenues/Collections	12-4	12-4	12-4	55	
M26700	Oakland Park, City of		Information Technology	2011-ML-02	2011-ML-02	ML-2011-02	144	
M27700	Orchid, Town of		General Accounting Records	2014-001	2012-FS-1	2012-FS-1	39	No
			Separation of Duties	2014-003	2009-02	2009-02	41	
M28000	Otter Creek, Town of		Financial Reporting	2011-1	2011-1	2011-1	40	No
M28700	Palm Beach Shores, Town of		Separation of Duties	2009-01	2009-01	2009-01	50	No
M28750	Palm Coast, City of		Financial Condition	2012-001	2012-001	2012-01	155	No
M29100	Panama City, City of		Separation of Duties	2007-1	2007-1	2007-1	196	No
M29300	Parker, City of		General Accounting Records	14-01	13-01	12-01	50	No

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			Separation of Duties	14-02	13-02	12-03	51	No
M29500	Paxton, City of		Financial Reporting	2014-01	2013-01	2012-01	48	No
			Separation of Duties	2014-02	2013-02	2012-02	48	
M29800	Penney Farms, Town of		Financial Reporting	2011-1	2011-1	2011-1	49	No
M30100	Pierson, Town of		Financial Reporting	2009-01	2009-01	2009-01	31	No
			Separation of Duties	2009-02	2009-02	2009-02	32	
			Revenues/Collections	2012-01	2012-01	2012-01	32	
M30700	Pomona Park, Town of		Separation of Duties	2009-IC-1	2009-IC-1	2009-IC-1	55	No
M30900	Ponce de Leon, Town of		Separation of Duties	2005-02	05-02	05-02	46	No
			Debt Administration	2005-04	05-04	05-04	47	
			Financial Reporting	2007-04	07-04	07-04	47	
			General Accounting Records	2008-05	08-05	08-05	48	
			Financial Condition	2012-01	12-01	12-01	46	
M31000	Ponce Inlet, Town of		Financial Condition	ML 2012-01	2012-01	2012-01	101	No
M31100	Port Orange, City of		General Accounting Records	2014-003	2013-005	2012-16	153	No
M31600	Quincy, City of		Fixed Assets	2001-C/IC-M-01-3	2001-C/IC-M-01-3	2001-C/IC-M-01-3	105	No
			General Accounting Records	2004-IC-M-04-06	2004-IC-M-04-06	2004-IC-M-04-06	104	
			Debt Administration	2005-C-M-1	2005-C-M-1	2005-C-M-1	104	
			Debt Administration	2005-C-M-2	2005-C-M-2	2005-C-M-2	104	
			General Accounting Records	2009-C-11-09	2009-C-11-09	2009-C-11-09	104	
			Financial Reporting	2010-IC-IM-10-01	2010-IC-IM-10-01	2010-IC-IM-10-01	103	
			Revenues/Collections	2010-IC-IM-10-02	2010-IC-IM-10-02	2010-IC-IM-10-02	103	
			Fixed Assets	2011-C/IC-11-08	2011-C/IC-11-08	2011-C/IC-11-08	103	
			Separation of Duties	2011-IC-MW-11-01	2011-IC-MW-11-01	2011-IC-MW-11-01	101	
			General Accounting Records	2011-IC-MW-11-02	2011-IC-MW-11-02	2011-IC-MW-11-02	102	
			General Accounting Records	2011-IC-MW-11-03	2011-IC-MW-11-03	2011-IC-MW-11-03	102	
			General Accounting Records	2011-IC-SD-11-04	2011-IC-SD-11-04	2011-IC-SD-11-04	102	
			Revenues/Collections	2012-IC-02	2012-IC-02	2012-IC-02	101	
			Separation of Duties	2012-IC-04	2012-IC-04	2012-IC-04	101	
M31800	Reddick, Town of		Financial Reporting	IC2009-1	IC2009-1	IC2009-1	27	No
			Financial Reporting	ML 2009-1	ML 2009-1	ML 2009-1	27	
			Investments	ML 2012-2	ML 2012-2	ML 2012-2	27	
M33400	Sewall's Point, Town of		Separation of Duties	2011-1	2011-1	2011-1	44	No
M33600	Sneads, Town of		Financial Reporting	07-1	07-1	07-1	54	No
			Fixed Assets	00-1	00-1	00-1	53	
			Purchasing/Contract Management	2012-1	2012-1	2013-1	59	
M33700	Sopchoppy, City of		Financial Reporting	14-01	13-01	12-01	38	No
M33800	South Bay, City of		Fixed Assets	2013-01	2013-01	2012-05	44	No
M34600	St. Cloud, City of		Revenues/Collections	2014-2	2013-3	2012-1	174	No
M34900	St. Marks, City of		Separation of Duties	2014-01	2010-01	2010-01	40	No
M36600	Trenton, City of		Financial Reporting	2009-1	2007-1	2007-1	50	No
M36800	Valparaiso, City of		General Accounting Records	2014-1	2012-3	2012-3	63	No
			Financial Reporting	2014-2	2011-9	2011-9	66	
M37300	Waldo, City of		Financial Reporting	2011-1	2011-1	2011-01	52	No
M37400	Wauchula, City of		Separation of Duties	2012-2	2012-2	2012-2	83	No
M37500	Wausau, Town of		Separation of Duties	2010-01	2010-1	10-1	42	No
			Financial Reporting	2010-02	2010-2	10-2	42	
M38100	West Miami, City of		Fund Equity	2010-1	2010-1	2010-1	66	No
M38500	Wewahitchka, City of		Financial Reporting	2011-1	2011-1	2011-2	56	No
M38600	White Springs, Town of		Financial Reporting	2011-01	2011-01	2011-01	55	No
M38700	Wildwood, City of		Financial Reporting	2014-001	2013-001	12-1	50	No
M38800	Williston, City of		Fund Equity	2010-5	2010-5	2010-5	80	No

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M39000	Windermere, Town of		Financial Reporting	14-01	13-01	12-01	48	No
M39200	Winter Haven, City of		Revenues/Collections	2014-004	2013-003	2009-2	187	No
M39500	Worthington Springs, Town of		Separation of Duties	11-1	11-1	10-1	37	No
M39600	Yankeetown, Town of		Separation of Duties	2014-001	2013-001	12-1	37	No
SPECIAL DISTRICTS								
D00150	Aberdeen Community Development District		Debt Administration	2013-01	2012-01	12-01	34	No
			Debt Administration	2013-02	2012-02	12-02	35	
D01000	Alligator Point Water Resources District		Financial Reporting	2014-01	2010-01	10-01	20	No
			Separation of Duties	2014-02	2011-02	11-02	20	
D01450	Amelia Concourse Community Development District		Debt Administration	2012-01	2012-01	2012-01	34	No
			Financial Condition	2012-02	2012-02	2012-02	35	
D01610	Amelia Walk Community Development District		Debt Administration	12-01	12-01	ML-12-01	35	No
D02120	Arborwood Community Development District		Debt Administration	2010-01	2010-01	2010-01	1 of Revised ML	Yes
			Debt Administration	2012-01	2012-01	2012-01	2 of Revised ML	
D02250	Arlington Ridge Community Development District		Debt Administration	IC2010-01	IC2010-01	2012-01	34	No
			Financial Condition	IC2010-02	IC2010-02	2012-02	34	
D03000	Baker County Development Commission		Separation of Duties	2014-001	2013-01	12-1	29	No
			Financial Reporting	2014-002	2013-02	12-2	29	
D03100	Baker County Hospital District		Separation of Duties	2014-01	2013-01	12-1	24	No
			Financial Reporting	2014-02	2013-02	12-2	24	
D04900	Beach Mosquito Control District		Separation of Duties	2014-1	2013-1	2012-1	26	No
D05190	Big Bend Water Authority		Separation of Duties	2014-001	2013-001	12-1	30	No
D06100	Bolles Drainage District		Financial Reporting	2011-1	2011-1	2011-1	23	No
D08980	Buckeye Park Community Development District		Debt Administration	IC2014-03	2013-02	2012-02	32	No
D09200	CFM Community Development District		Debt Administration	IC2010-1	IC2010-1	IC2010-1	32	No
D11100	Cedar Key Special Water and Sewer District		Separation of Duties	2014-001	2013-001	12-1	22	No
D11970	Chapel Creek Community Development District		Debt Administration	12-01	12-01	12-01	36	No
			Financial Reporting	12-03	12-03	12-03	35	
			Fixed Assets	12-04	12-04	12-04	35	
D12400	Children's Board of Hillsborough County		Revenues/Collections	2014-1	13-3	12-02	47	No
D12800	Children's Services Council of Okeechobee County		Financial Reporting	2014-1	2009-1	2009-1	27	No
			Separation of Duties	2014-2	2009-2	2009-2	27	
D16050	City-County Public Works Authority		Separation of Duties	2010-001	2010-01	2010-01	18	No
			General Accounting Records	2010-002	2010-02	2010-02	18	
			Financial Reporting	2010-003	2010-03	2010-03	19	
D16490	Clearwater Cay Community Development District		Debt Administration	IC2009-1	IC2009-1	IC2009-1	31	No
D18370	Concorde Estates Community Development District		Financial Reporting	12-01	12-01	12-01	36	No
D18380	Connerton West Community Development District		Debt Administration	13-01	13-01	12-01	36	No
			Debt Administration	13-02	13-02	12-02	36	
D19630	Creeside Community Development District		Financial Condition	2014-01	2013-02	2011-03	30	No
D19900	Crossings At Fleming Island Community Development District, The		Debt Administration	2014-01	No Number	No Number	43	No
			Financial Condition	2014-02	2012-01	2012-01	44	
			Debt Administration	2014-03	2013-01	2010-01	44	
D21740	Deer Run Community Development District		Debt Administration	2012-01	2013-01	2012-01	35	No
			Financial Condition	2012-02	2013-02	2012-02	35	
D22500	Disston Island Conservancy District		Financial Reporting	2011-1	2011-1	2011-1	23	No
D23750	Durbin Crossing Community Development District		Debt Administration	2011-01	IC2011-01	IC2011-01	34	No
D24900	East Naples Fire Control and Rescue District (merged with Golden Gate Fire Control and Rescue District)		Fixed Assets	2014-01	2013-02	2012-1	45	No
D25500	Eastpoint Water and Sewer District		Separation of Duties	14-01	13-01	12-01	28	No
			General Accounting Records	14-02	13-02	12-02	29	

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			Financial Reporting	14-03	13-03	12-03	29	
D26300	Emerald Coast Utilities Authority		Information Technology	2013-1	2013-1	2012-1	122	No
D26400	Escambia Health Facilities Authority		Separation of Duties	2013-1	2013-1	2005-1	29	No
D27000	Fellsmere Water Control District		Separation of Duties	2014-1	2009-1	2009-1	27	No
D27110	Fiddler's Creek Community Development District Number 2		Debt Administration	2010-01	2010-01	2010-01	38	No
D27300	Flaghole Drainage District		Financial Reporting	2011-1	2011-1	2011-1	23	No
D27400	Flagler Estates Road and Water Control District		Separation of Duties	2014-001	2013-001	12-1	31	No
			General Accounting Records	2014-002	2013-002	12-2	31	
D29300	Fred R. Wilson Memorial Law Library		Financial Reporting	ITEM 1	ITEM 1	ITEM 1	21	No
			Separation of Duties	ITEM 2	ITEM 2	ITEM 2	21	
D30900	Gladeview Water Control District		Financial Reporting	2011-1	2011-1	2011-1	25	No
D31280	Gramercy Farms Community Development District		Financial Reporting	12-01	12-01	2012-01	36	No
			Debt Administration	12-03	12-03	2012-03	37	
			Financial Condition	12-04	12-04	2012-04	38	
D33700	Hendry Soil and Water Conservation District		Financial Reporting	2011-1	2011-1	2011-1	21	No
D33800	Hendry-Hilliard Water Control District		Financial Reporting	2011-1	2011-1	2011-1	24	No
D33900	Hendry-La Belle Recreation Board		Financial Reporting	2011-1	2011-1	2011-1	27	No
D34130	Heritage Isles Community Development District		Financial Condition	2014-01	2009-01	2012-01	44	No
D35000	Highland Glades Water Control District		Financial Reporting	2011-1	2011-1	2011-1	22	No
D35050	Highland Meadows Community Development District		Debt Administration	2014-1	2013-1	2012-1	36	No
D35150	Highlands Community Development District		Debt Administration	2013-02	2013-02	2012-02	32	No
			Financial Condition	2014-01	2013-01	2012-01	32	
D37200	Holt Fire District		Financial Reporting	2014-02	2008-FSIC-03	2008-03	33	No
D38800	Indian River Farms Water Control District		Separation of Duties	2014-1	2009-1	2009-1	26	No
D39600	Indigo Community Development District		Financial Condition	2014-01	2013-02	2012-02	30	No
D42610	Lake Ashton Community Development District		Debt Administration	ML-12-02	ML-13-02	ML-12-02	35	No
D42615	Lake Ashton II Community Development District		Financial Condition	2014-01	2013-01	2012-01	31	No
D44800	Lakeland Downtown Development Authority		Separation of Duties	2010-1	2010-1	2010-1	39	No
D44810	Lakeside Plantation Community Development District		Debt Administration	07-01	07-01	ML2007-1	34	No
D46200	Lee Memorial Health System		Fixed Assets	2010-04	2010-04	4	9	No
D46600	Leon County Educational Facilities Authority		General Accounting Records	2014-02	2010-01	2010-01	32	No
			Debt Administration	2014-03	2009-01	2009-01	32	
D47510	Longleaf Community Development District		Debt Administration	12-01	12-01	12-01	35	No
			Debt Administration	12-02	12-02	12-02	35	
D47880	Madeira Community Development District		Financial Condition	2014-01	2013-02	2012-02	31	No
D48155	Magnolia Creek Community Development District		Debt Administration	12-01	13-01	12-01	37	No
			Debt Administration	12-02	13-02	12-02	37	
D48170	Magnolia West Community Development District		Debt Administration	12-01	12-01	12-01	36	No
			Debt Administration	12-02	12-02	12-02	36	
D49500	Marion County Law Library		Separation of Duties	2014-1	2013-1	2012-1	24	No
D49750	Marshall Creek Community Development District		Debt Administration	2013-01	2013-01	2012-01	34	No
			Debt Administration	2013-02	2013-02	2012-02	34	
D50407	Meadow Pointe IV Community Development District		Debt Administration	14-01	13-01	12-01	42	No
			Debt Administration	14-02	13-02	12-02	42	
			Financial Reporting	14-03	13-03	12-03	41	
D50800	Merritt Island Public Library District		Cash	2	3	3	27	No
D51950	Middle Village Community Development District		Debt Administration	2014-01	2013-01	2012-01	33	No
D51980	Midtown Miami Community Development District		Fund Equity	2012-01	2012-01	2012-01	41	No
D52675	Montecito Community Development District		Financial Condition	2014-01	2013-04	2012-03	32	No
D52900	Moore Haven Mosquito Control District		Financial Reporting	2011-001	IC 2011-01	IC 2008-01	25	No
			General Accounting Records	2011-002	IC 2011-002	IC 2008-02	25	

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D67000	Municipal Service District of Ponte Vedra Beach		Separation of Duties	2014-001	2013-001	12-1	27	No
			Financial Reporting	2014-002	2013-002	12-2	27	
D53630	Naturewalk Community Development District		Debt Administration	12-01	12-01	12-01	36	No
			Debt Administration	12-02	12-02	12-02	36	
D53810	New Port - Tampa Bay Community Development District		Debt Administration	IC2009-002	IC2009-1	IC2009-1	30	No
D55400	North Okaloosa County Fire District		Separation of Duties	2014-01	2013-01	2012-01	37	No
			Financial Reporting	2014-02	2013-02	2012-02	37	
D55500	North Palm Beach Heights Water Control District		Separation of Duties	2009-01	2009-01	2009-01	32	No
			Budget Administration	2012-01	2012-01	2012-01	32	
D56100	North St. Lucie River Water Control District		Separation of Duties	ML 2009-1	ML 2009-1	ML 2009-1	27	No
			Financial Reporting	ML 2009-2	ML 2009-2	ML 2009-2	27	
D56555	Northwest Florida Transportation Corridor Authority		General Accounting Records	14-01	13-01	12-01	22	No
			Financial Reporting	14-02	13-02	12-02	22	
D57300	Ocean City - Wright Fire Control District		Financial Reporting	IC2007-01	IC2007-001	IC2007-001	53	No
D57900	Okeechobee Soil and Water Conservation District		Financial Reporting	2014-1	2009-2	2009-2	37	No
			Separation of Duties	2014-2	2009-1	2009-1	38	
D60700	Overoaks Community Development District		Debt Administration	2009-01	2009-01	2009-01	35	No
			Fund Equity	2012-01	2012-01	2012-01	36	
D61300	Palatka Gas Authority		Financial Reporting	2014-001	2013-001	12-1	21	No
D62070	Palm River Community Development District		Debt Administration	14-01	2013-01	2012-01	36	No
			Debt Administration	14-02	2013-02	2012-02	36	
D62570	Parker Road Community Development District		Financial Condition	2014-01	2013-01	2012-01	31	No
D64525	Pine Island Community Development District		Debt Administration	2011-01	2011-01	12-02	39	No
			Debt Administration	2011-02	2011-02	12-01	40	
D67815	Portofino Cove Community Development District		Financial Condition	2014-01	2013-02	2012-02	30	No
D67825	Portofino Isles Community Development District		Financial Condition	2014-01	2013-02	2012-02	32	No
D67827	Portofino Landings Community Development District		Financial Condition	2014-01	2013-02	2012-02	32	No
D67835	Portofino Vista Community Development District		Financial Condition	2014-01	2013-02	2012-03	30	No
D68800	Quincy-Gadsden Airport Authority		Separation of Duties	2008-1	2008-1	2008-1	30	No
D69450	Reunion East Community Development District		Debt Administration	13-01	13-01	11-01	37	No
			Debt Administration	13-02	13-02	11-02	37	
D69800	Ritta Drainage District		Financial Reporting	2011-1	2011-1	2011-1	23	No
D69805	River Bend Community Development District		Debt Administration	12-01	12-01	2012-01	36	No
			Debt Administration	12-02	12-02	2012-02	36	
D69806	River Glen Community Development District		Fixed Assets	2014-01	2013-01	2012-03	34	No
			Debt Administration	2014-02	2013-03	2012-02	34	
D69810	River Place on the St. Lucie Community Development District		Debt Administration	ML-13-01	ML-13-01	ML-12-01	34	No
			Debt Administration	ML-13-02	ML-13-02	ML-12-02	34	
D70010	Riverwood Estates Community Development District		Debt Administration	14-01	13-01	12-01	38	No
			Debt Administration	14-02	13-02	12-02	38	
			Financial Reporting	14-03	13-03	12-03	37	
D70180	Rolling Hills Community Development District		Debt Administration	2012-01	2011-01	2011-01	33	No
D70400	San Carlos Estates Water Control District		Financial Reporting	2011-1	2011-1	2011-1	27	No
D72900	Seminole County Port Authority		Separation of Duties	ITEM 1	ITEM 1	ITEM 1	26	No
			Financial Reporting	ITEM 2	ITEM 2	ITEM 2	26	
D73300	Shawano Water Control District		Financial Reporting	2011-1	2011-1	2011-1	25	No
D73475	Six Mile Creek Community Development District		Debt Administration	12-01	12-01	12-01	34	No
			Debt Administration	12-02	12-02	12-02	34	
D73605	South Bay Community Development District (Hillsborough County)		Expenditures/Expenses	IC2010-01	2013-02	2012-01	32	No
			Financial Condition	IC2010-02	2013-04	2012-03	33	
D74900	South Seminole and North Orange County Wastewater Transmission Authority		Separation of Duties	2014-01	2013-01	2	48	No
D75475	Southern Hills Plantation I Community Development District		Budget Administration	2012-01	12-01	12-01	31	No

Local Governmental Entities That Failed To Take Full Corrective Action In Response To A Recommendation Included In The 2013-14 Fiscal Year Audit Report and the Two Preceding Financial Audit Reports

Entity ID	Entity	Constitutional Officer (For Counties)	Finding Category	CY Finding No	PY Finding No	PPY Finding No	PDF page # (1)	Revision or Addendum (2)
D41910	Spring Ridge Community Development District		Fixed Assets	2010-02	2010-02	2010-01	32	No
			Budget Administration	2012-02	2012-01	2012-01	32	
			Financial Condition	2014-01	2009-02	2009-01	32	
D76200	St. Augustine Port, Waterway and Beach District		Separation of Duties	2014-001	2013-001	12-1	26	No
D78210	Sterling Hill Community Development District		Financial Reporting	12-01	12-01	2012-01	38	No
			Debt Administration	12-03	12-03	2012-03	39	
			Debt Administration	12-04	12-04	2012-04	39	
D78400	Sugarland Drainage District		Financial Reporting	2011-1	2011-1	2011-1	23	No
D78800	Sun'n Lake of Sebring Improvement District		Financial Condition	2014-01	2013-02	2012-03	53	No
D80200	Suwannee Water and Sewer District		Separation of Duties	2014-001	2013-001	12-1	26	No
			Fixed Assets	2014-002	2013-002	12-2	26	
			General Accounting Records	2014-003	2013-003	12-3	26	
D81610	Taylor Coastal Water and Sewer District		Financial Reporting	2010-1	2010-1	2010-1	26	No
D82110	Tern Bay Community Development District		Debt Administration	IC2009-01	IC2009-01	IC2009-01	32	No
D82400	Tindall Hammock Irrigation and Soil Conservation District		Financial Reporting	2011-1	2011-1	2011-1	53	No
D82955	Trails Community Development District		Financial Condition	2014-01	2009-03	2009-03	32	No
D82975	Treeline Preserve Community Development District		Financial Condition	2014-01	2013-01	2012-01	30	No
D85170	Villa Vizcaya Community Development District		Financial Condition	2014-01	2013-04	2012-04	31	No
D85510	Villages of Bloomingdale Community Development District		Debt Administration	2013-01	2013-01	2012-01	31	No
D85520	Villages of Westport Community Development District		Debt Administration	2014-01	2013-01	2012-02	30	No
D87280	Waterford Estates Community Development District		Financial Condition	2014-01	IC2009-01	IC2009-01	31	No
D87310	Waterlefe Community Development District (Manatee County)		Debt Administration	IC2010-01	IC2010-01	IC2010-01	42	No
D87340	Waterstone Community Development District		Financial Condition	2014-01	2013-03	2012-04	30	No
D88900	Westgate / Belvedere Homes Community Redevelopment Agency		Revenues/Collections	2013-1	2013-1	2008-7	47	No
D89000	Westridge Community Development District		Debt Administration	13-01	2013-1	2012-1	36	No
			Debt Administration	13-02	2013-2	2012-2	36	
			Debt Administration	2011-01	2011-01	2011-01	33	
D89050	Westside Community Development District		Financial Condition	2012-01	2012-01	2012-01	35	No
			Purchasing/Contract Management	2012-1	2012-1	2012-1	26	No
D89800	Withlacoochee Regional Water Supply Authority		Financial Condition	13-01	2013-01	2012-01	34	No
D89820	Woodlands Community Development District, The		Debt Administration	13-02	2013-02	2012-02	34	No
			Debt Administration	14-01	IC 2009-01	IC 2009-01	34	No
D89840	Wyld Palms Community Development District		Debt Administration	14-01	IC 2009-01	IC 2009-01	34	No
D90210	Zephyr Ridge Community Development District		Debt Administration	09-01	09-01	10-01	36	No
			Debt Administration	09-02	09-02	10-02	36	
			Financial Reporting	12-01	12-01	12-01	35	

Notes:

(1) The page number listed is the PDF document page number, not the report page number.

(2) This column indicates if there is an addendum or revised report on the Auditor General's Web site that is associated with findings from the 2012-13 fiscal year audit report that should also be viewed

Legend:

The current audit report did not specify that the finding also was disclosed in the previous two reports; however, we confirmed with the CPA that performed the current audit that this finding was also reported in the two preceding audit reports. As of September 24, 2015, the CPA has not submitted an addendum to the management letter (or a revised management letter) to clarify that this is a recurring audit finding.

From: DEREK NOONAN <DEREKNOONAN@AUD.STATE.FL.US>
Sent: Monday, September 14, 2015 8:07 AM
To: ABRUZZO.JOSEPH
Cc: White, Deborah; Dubose, Kathy
Subject: 2012-13 FY Notification Pursuant to Section 218.39(8), Florida Statutes
Attachments: 2013 PPY Findings Notification part 2.xlsb

Section 218.39(8), Florida Statutes, requires the Auditor General to notify the Legislative Auditing Committee of any audit report prepared pursuant to Section 218.39, Florida Statutes, which indicates that an audited entity has failed to take full corrective action in response to a recommendation that was included in the two preceding financial audit reports.

On an earlier email, dated December 16, 2014, we notified you of those local governmental entities for which the 2012-13 fiscal year audit report disclosed that the entity failed to take full corrective action in response to one or more recommendations included in the two preceding financial audit reports. The attached document contains the names of additional local governmental entities and references to the recurring finding(s).

Please contact me if you or your staff need additional information.

Derek H. Noonan, Audit Supervisor
Auditor General, State of Florida
111 West Madison Street, Rm 401-P
Tallahassee, FL 32399-1450
Office (850) 412-2864
FAX (850) 488-6975

Note: In the event your response contains information that may be considered sensitive or confidential pursuant to Federal or State law, please do not send that information via e-mail. Please contact me to make alternative arrangements to provide the information.

LOCAL GOVERNMENTAL ENTITIES THAT FAILED TO TAKE FULL CORRECTIVE ACTION IN RESPONSE TO A RECOMMENDATION THAT WAS INCLUDED IN THE 2012-13 FISCAL YEAR AUDIT REPORT AND THE TWO PRECEDING FINANCIAL AUDIT REPORTS

EntityID	Entity	Constitutional Officer (For Counties)	Finding Category	CY Finding No	PY Finding No	PPY Finding No	PDF page # (1)	Revision or Addendum (2)
MUNICIPALITIES								
M00800	Arcadia, City of		General Accounting Records	2013-01	12-6	11-6	87	No
			Payroll and Personnel Administration	2013-03	12-3	11-3	89	No
			Budget Administration	2013-04	12-5	11-5	89	No
			Financial Condition	2013-05	12-1	11-1	90	No
M01000	Astatula, Town of		Financial Reporting	2010-003	2010-003	2010-003	Part 2, 13	No
			Payroll and Personnel Administration	2010-005	2010-005	2010-005	Part 2, 13	No
M03600	Boynton Beach, City of		Revenues/Collections	2011-08	2011-08	2011-08	260	No
			Fixed Assets	2011-10	2011-10	2011-10	260	No
			Purchasing/Contract Management	2011-11	2011-11	2011-11	261	No
M05900	Chattahoochee, City of		Separation of Duties	08-1	08-02	08-02	56	No
			Financial Reporting	08-2	08-01	08-01	56	No
			General Accounting Records	08-4	08-4	08-4	57	No
			Revenues/Collections	11-1	11-1	11-1	57	No
M13200	Gretna, Town of		Financial Reporting	2011-02	2011-02	I-C-2011-02	54	No
M16710	Islamorada, Village of		Information Technology	2013-04	2012-01	2011-02	116	No
			Information Technology	2013-05	2012-02	2011-03	117	No
M23600	Mexico Beach, City of		General Accounting Records	13-01	12-01	11-01	66	No
			Financial Reporting	13-02	12-02	11-02	66	No
M24200	Midway, City of		Financial Reporting	13-01	09-01	09-01	32	No
			Separation of Duties	13-02	09-02	09-02	32	No
			Expenditures/Expenses	13-03	09-03	09-03	32	No
M27400	Opa-locka, City of		General Accounting Records	2013-01	2012-04	2011-02	96	No
			Revenues/Collections	2013-02	2012-01	2011-01	97	No
M29300	Parker, City of		General Accounting Records	13-01	12-01	11-01	49	No
			Separation of Duties	13-02	12-03	11-03	50	No
M31600	Quincy, City of		Financial Reporting	2001-C/IC-M-01-3	2001-C/IC-M-01-3	C/IC-M-01-3	111	No
			General Accounting Records	2004-IC-M-04-06	2004-IC-M-04-06	IC-M-04-06	110	No
			Debt Administration	2005-C-M-1	2005-C-M-1	C-M-05-01	108	No
			Debt Administration	2005-C-M-2	2005-C-M-2	C-M-05-2	109	No
			Cash	2005-IC-M-04-05	2005-IC-M-04-05	IC-M-04-05	109	No
			Information Technology	2005-IC-M-05-03	2005-IC-M-05-03	IC-M-05-03	109	No
			Revenues/Collections	2005-IC-M-05-04	2005-IC-M-05-04	IC-M-05-04	109	No
			General Accounting Records	2009-C-11-09	2009-C-11-09	C-11-09	108	No
			General Accounting Records	2009-IC-IM-09-01	2009-IC-IM-09-01	IC-IM-09-01	108	No
			Financial Reporting	2010-IC-IM-10-01	2010-IC-IM-10-01	IC-IM-10-01	107	No
			Revenues/Collections	2010-IC-IM-10-02	2010-IC-IM-10-02	IC-IM-10-02	107	No
			Separation of Duties	2010-IC-IM-10-05	2010-IC-IM-10-05	IC-IM-10-05	107	No
			Fixed Assets	2011-C/IC-11-08	2011-C/IC-11-08	C/IC-11-08	106	No
			Financial Reporting	2011-C/IC-11-10	2011-C/IC-11-10	C/IC-11-10	106	No
			Financial Reporting	2011-C/IC-11-11	2011-C/IC-11-11	C/IC-11-11	106	No
			General Accounting Records	2011-IC-CD-11-05	2011-IC-CD-11-05	IC-CD-11-05	105	No
			Separation of Duties	2011-IC-MW-11-01	2011-IC-MW-11-01	IC-MW-11-01	104	No
General Accounting Records	2011-IC-MW-11-02	2011-IC-MW-11-02	IC-MW-11-02	104	No			
General Accounting Records	2011-IC-MW-11-03	2011-IC-MW-11-03	IC-MW-11-03	105	No			
Payroll and Personnel Administration	2011-IC-SD-11-04	2011-IC-SD-11-04	IC-SD-11-04	105	No			
M34300	Springfield, City of		General Accounting Records	13-01	12-01	11-01	56	No
			Financial Reporting	13-02	12-02	11-02	56	No
			Cash	13-03	12-03	11-03	56	No
			General Accounting Records	13-04	12-04	11-04	57	No
			Budget Administration	13-05	12-05	11-05	57	No
			General Accounting Records	13-06	12-06	11-06	58	No
			General Accounting Records	13-07	12-07	11-07	58	No
			Fixed Assets	13-08	12-08	11-08	58	No
			General Accounting Records	13-09	12-09	11-09	59	No
			Purchasing/Contract Management	13-10	12-10	11-10	59	No
			Separation of Duties	13-11	12-11	11-11	60	No
			General Accounting Records	13-12	12-12	11-12	60	No

LOCAL GOVERNMENTAL ENTITIES THAT FAILED TO TAKE FULL CORRECTIVE ACTION IN RESPONSE TO A RECOMMENDATION THAT WAS INCLUDED IN THE 2012-13 FISCAL YEAR AUDIT REPORT AND THE TWO PRECEDING FINANCIAL AUDIT REPORTS

EntityID	Entity	Constitutional Officer (For Counties)	Finding Category	CY Finding No	PY Finding No	PPY Finding No	PDF page # (1)	Revision or Addendum (2)
			General Accounting Records	13-13	12-13	11-13	61	No
			Information Technology	13-14	12-14	11-14	61	No
			General Accounting Records	13-15	12-15	11-15	61	No
			Revenues/Collections	13-16	12-16	11-16	62	No
			Expenditures/Expenses	13-17	12-17	11-17	62	No
			Distribution of Funds	13-18	12-18	11-18	62	No
M35600	Sweetwater, City of		Budget Administration	2004-01	2004-01	2004-01	80	No
			Financial Reporting	2007-02	2007-02	2007-02	76	No
			Expenditures/Expenses	2007-03	2007-03	2007-03	77	No
			Fixed Assets	2007-04	2007-04	2007-04	78	No
			Purchasing/Contract Management	2007-06	2007-06	2007-06	79	No
			Federal Awards	2008-01	2008-01	2008-01	75	No
			Purchasing/Contract Management	2009-01	2009-01	2009-01	74	No
M37000	Vernon, City of		Fixed Assets	2003-01	2003-01	2003-01	51	No
			Separation of Duties	2003-02	2003-02	2003-02	51	No
			Financial Reporting	2007-01	2007-01	2007-01	52	No
			General Accounting Records	2008-1	1	1	60	No
			Cash	2009-1	2	2	60	No
M37600	Webster, City of		Separation of Duties	2013-001	12-1	11-1	47	No
			General Accounting Records	2013-002	12-2	11-2	47	No
			Debt Administration	2013-003	12-3	11-3	47	No
SPECIAL DISTRICTS								
D03200	Baker Fire District		Fixed Assets	13-01	12-01	11-01	26	No
			Financial Reporting	13-02	12-02	11-02	26	No
			Financial Reporting	13-03	12-03	11-03	27	No
			Financial Reporting	13-04	12-04	11-04	28	No
			Cash	13-05	12-05	11-05	28	No
			Other Control Deficiencies and Noncompliance	13-06	12-06	11-06	29	No
			Separation of Duties	13-07	12-07	11-07	29	No
D05060	Bellmont Lakes Community Development District		Financial Reporting	2013-01	2012-01	2011-01	27	Yes
D09400	Campbellton-Graceville Hospital		Separation of Duties	13-1	12-1	AG 1	33	No
			General Accounting Records	13-2	12-2	AG 2	33	No
			Financial Condition	13-3	12-3	AG 3	34	No
			Cash	2013-1	2012-1	2011-1	37	No
D14005	City Center Community Development District		Debt Administration	2013-01	2012-01	2011-01	37	No
			Financial Condition	2013-02	2012-02	2011-02	37	No
			Debt Administration	2013-03	2012-03	2011-03	37	No
D22900	Dorcas Fire District		Separation of Duties	One	2011-1	No number	34	No
D25500	Eastpoint Water and Sewer District		Separation of Duties	13-01	12-01	11-01	28	No
			General Accounting Records	13-02	12-02	11-02	29	No
			Financial Reporting	13-03	12-03	11-03	29	No
D33900	Hendry-La Belle Recreation Board		Financial Reporting	2011-1	2011-1	2011-1	26	No
D47100	Levy Soil and Water Conservation District		Separation of Duties	09-01	09-01	09-01	23	No
D56555	Northwest Florida Transportation Corridor Authority		General Accounting Records	13-01	12-01	11-01	29	No
			Financial Reporting	13-02	12-02	11-02	29	No
D73605	South Bay Community Development District (Hillsborough County)		Expenditures/Expenses	2013-02	2012-01	2011-01	32	No
			Debt Administration	2013-03	2012-02	2011-02	32	No
			Financial Condition	2013-04	2012-03	2011-03	33	No
D74000	South Dade Soil and Water Conservation District		Separation of Duties	2006-2	2006-2	2006-2	28	No
			General Accounting Records	2007-1	2007-1	2007-1	26	No
			Fixed Assets	2007-2	2007-2	2007-2	27	No
			General Accounting Records	2007-5	2007-5	2007-5	27	No
			General Accounting Records	2009-03	2009-03	2009-03	27	No
			Cash	2011-01	2011-01	2011-01	26	No
D74360	South Fork East Community Development District		Debt Administration	2010-01	2011-01	2011-01	33	No
			Financial Reporting	2011-03	2011-03	2011-03	33	No

LOCAL GOVERNMENTAL ENTITIES THAT FAILED TO TAKE FULL CORRECTIVE ACTION IN RESPONSE TO A RECOMMENDATION THAT WAS INCLUDED IN THE 2012-13 FISCAL YEAR AUDIT REPORT AND THE TWO PRECEDING FINANCIAL AUDIT REPORTS

EntityID	Entity	Constitutional Officer (For Counties)	Finding Category	CY Finding No	PY Finding No	PPY Finding No	PDF page # (1)	Revision or Addendum (2)
Notes:								
(1) The page number listed is the PDF document page number, not the report page number.								
(2) This column indicates if there is an addendum or revised report on the Auditor General's Web site that is associated with findings from the 2012-13 fiscal year audit report that should also be viewed.								
Legend:								
The current audit report did not specify that the finding also was disclosed in the previous two reports; however, we confirmed with the CPA that performed the current audit that this finding was also reported in the two preceding audit reports. As of September 11, the CPA has not submitted an addendum to the management letter (or a revised management letter) to clarify that this is a recurring audit finding.								

**Failure to Provide Auditor
General with Item(s)/Information**

List 1: LOCAL GOVERNMENTS

Significant Items Missing from Audit Report Not Yet Provided to Auditor General
(required by s. 11.45(7)(b), F.S.)

	Entity Name (County)	Senate District(s) (Countywide)	House District(s) (Countywide)	Item(s) Missing from FY 2013-14 Audit Report	Staff Recommendation
1	Fanning Springs, City of <i>(Gilchrist and Levy)</i>	5	21, 22	A written statement of explanation or rebuttal concerning the auditor's comments included in the auditor's management letter (required by Sections 10.557(3)(l) and 10.558(1), Rules of the Auditor General).	Take action if required item(s) are not provided by 1/29/16
2	Montverde, Town of <i>(Lake)</i>	8, 11	31, 32, 33	A written statement of explanation or rebuttal concerning the auditor's comments included in the auditor's management letter (required by Sections 10.557(3)(l) and 10.558(1), Rules of the Auditor General). Reference numbers for each audit finding (required by Section 10.557(4)(b)7., Rules of the Auditor General).	
3	St. Lucie Village, Town of <i>(St. Lucie)</i>	21, 32	54, 55, 83, 84	Reference numbers for each audit finding (required by Section 10.557(4)(b)7., Rules of the Auditor General). For uncorrected audit findings from the preceding financial audit report, identification of those that were also included in the second preceding fiscal year audit report (required by Section 10.554(1)(i)1., Rules of the Auditor General).	
4	West Park, City of <i>(Broward)</i>	29, 31, 33, 34, 36	92, 93, 94, 95, 96, 97, 98, 99, 100, 101, 102, 103, 104, 105	Independent auditor's report that includes an opinion on the Schedule of Expenditures of Federal Awards (required by OMB Circular A-133 Section .505(a) and Section 10.557(3)(d) and (e)2., Rules of the Auditor General).	
5	Concorde Estates Community Development District <i>(Osceola)</i>	14, 15, 21	39, 42, 43	A written statement of explanation or rebuttal concerning the auditor's comments included in the auditor's management letter (required by Sections 10.557(3)(l) and 10.558(1), Rules of the Auditor General).	
6	Gramercy Farms Community Development District <i>(Osceola)</i>	14, 15, 21	39, 42, 43	A written statement of explanation or rebuttal concerning the auditor's comments included in the auditor's management letter (required by Sections 10.557(3)(l) and 10.558(1), Rules of the Auditor General).	
7	Greater Lakes/Sawgrass Bay Community Development District <i>(Lake)</i>	8, 11	31, 32, 33	A statement that the auditor applied financial condition assessment procedures pursuant to Section 10.556(8), Rules of the Auditor General (required by Section 10.554(1)(i)5.c.1, Rules of the Auditor General).	
8	Westside Community Development District <i>(Osceola)</i>	14, 15, 21	39, 42, 43	A written statement of explanation or rebuttal concerning the auditor's comments included in the auditor's management letter (required by Sections 10.557(3)(l) and 10.558(1), Rules of the Auditor General).	

List 2: LOCAL GOVERNMENTS

Failure to Provide the Auditor General with Evidence of Corrective Action Taken Related to Investment Policies
(required by s. 11.45(7)(d), F.S.)

	Entity Name (County)	Senate District(s) (Countywide)	House District(s) (Countywide)	Non-Compliance Reported in the FY 2013-14 Audit Report Related to Investment Policies	Staff Recommendation
1	Reddick, Town of (<i>Marion</i>)	5, 8, 11	20, 22, 23, 33	<i>Audit Finding ML2012-2</i> : The Town is not in compliance with Section 218.415(14), <i>Florida Statutes</i> , ¹ regarding the continuing education requirement related to responsible officials and the investment of public funds.	Take action if evidence of corrective action is not provided by 1/29/16
2	Sanibel, City of (<i>Lee</i>)	23, 30	76, 77, 78, 79	<i>Audit Finding MLC 2014-001</i> : The City's investment policy includes most of the requirements of Section 218.415, <i>Florida Statutes</i> . However, the City's policy does not address two requirements. 1) The system of internal controls over investment activities should be in writing and made a part of the City's operational procedures. 2) The investment policy does not include the requirement for the City's official responsible for making investment decisions or chief financial officer to annually complete eight hours of continuing education in subjects or courses of study related to investment practices and products.	
3	Hillsborough Transit Authority (<i>Hillsborough</i>)	17, 19, 22, 24, 26	57, 58, 59, 60, 61, 62, 63, 64, 70	The auditors' examination disclosed that the continuing education requirement within the Authority's investment policy was not met. The requirement states that those responsible for making investment decisions will annually complete eight hours of continuing education in subjects or courses of study related to investment practices and products.	

¹ This law requires the Town's investment policy to provide for the continuing education of the Town's official responsible for making investment. The official must annually complete eight hours of continuing education in subjects or courses of study related to investment practices and products.

List 3: CHARTER SCHOOLS

Significant Items Missing from Audit Report Not Yet Provided to Auditor General
(required by s. 11.45(7)(b), F.S.)

	School Name	Senate District(s) <i>(Countywide)</i>	House District(s) <i>(Countywide)</i>	Item(s) Missing from FY 2013-14 Audit Report	Staff Recommendation
1	Chautauqua Learn and Serve at the Arc of Walton County	1	5	A written statement of explanation or rebuttal concerning findings and recommendations in the Report on Internal Control over Financial Reporting and Compliance.	Take action if required item is not provided by 1/29/16

From: DEREK NOONAN <DEREKNOONAN@AUD.STATE.FL.US>
Sent: Tuesday, October 27, 2015 7:54 AM
To: ABRUZZO.JOSEPH; Raulerson, Dan
Cc: White, Deborah; Dubose, Kathy
Subject: 2013-14 FY Section 11.45(7)(b) and (d), FS, Notification
Attachments: 2014 Missing Items Letter to JLAC Attachment.docx

Pursuant to Section 11.45(7)(b), Florida Statutes, this e-mail is to notify you of the 11 local governmental entities that did not provide us the significant items omitted from their 2013-14 fiscal year audit reports within 45 days after the date of our request. The attached listing identifies the 11 local governmental entities (6 special districts and 5 municipalities) and describes the audit report items omitted.

In addition, pursuant to Section 11.45(7)(d), Florida Statutes, this e-mail is to notify you that the Town of Reddick, the City of Sanibel, and Hillsborough Transit Authority were each cited for noncompliance with Section 218.415, Florida Statutes, and did not provide us evidence of corrective action within 45 days after the date of our request.

To date, none of the 14 local governmental entities mentioned above have provided us the requested information. Please advise if you or your staff have any questions regarding this information.

Derek H. Noonan, Audit Supervisor
Auditor General, State of Florida
111 West Madison Street, Rm 401-P
Tallahassee, FL 32399-1450
Office (850) 412-2864
FAX (850) 488-6975

Note: In the event your response contains information that may be considered sensitive or confidential pursuant to Federal or State law, please do not send that information via e-mail. Please contact me to make alternative arrangements to provide the information.

LOCAL GOVERNMENTAL ENTITIES
 ITEMS OMITTED FROM 2013-14 FISCAL YEAR AUDIT REPORTS
 REQUESTED BUT NOT RECEIVED

	<u>DATE REQUESTED</u>	<u>ITEMS REQUESTED</u>
<u>MUNICIPALITIES</u>		
Fanning Springs, City of	06/30/15	A
Montverde, Town of	07/17/15	A, B
Reddick, Town of	03/27/15	C
St. Lucie Village, Town of	07/17/15	B, D
West Park, City of	07/28/15	E
<u>SPECIAL DISTRICTS</u>		
Concorde Estates Community Development District	07/10/15	A
Gramercy Farms Community Development District	07/28/15	A
Greater Lakes/Sawgrass Bay Community Development District	07/28/15	F
Hardee Soil and Water Conservation District	07/17/15	C
Polk County Industrial Development Authority	07/28/15	C, G
Westside Community Development District	07/28/15	A

LOCAL GOVERNMENTAL ENTITIES
ITEMS OMITTED FROM 2013-14 FISCAL YEAR AUDIT REPORTS
REQUESTED BUT NOT RECEIVED

Item Omitted:

- (A) Written statement of explanation or rebuttal concerning the auditor's comments included in the auditor's management letter (required by Sections 10.557(3)(l) and 10.558(1), Rules of the Auditor General).
- (B) Reference numbers for each audit finding (required by Section 10.557(4)(b)7., Rules of the Auditor General).
- (C) Management's Discussion and Analysis (required by Government Accounting Standards Board *Codification of Governmental Accounting and Financial Reporting Standards* (GASB Codification) Section 2200.106 and Section 10.557(3)(h), Rules of the Auditor General).
- (D) For uncorrected audit findings from the preceding financial audit report, identification of those that were also included in the second preceding fiscal year audit report (required by Section 10.554(1)(i)1., Rules of the Auditor General).
- (E) Independent auditor's report that includes an opinion on the Schedule of Expenditures of Federal Awards (required by OMB Circular A-133 Section .505(a) and Section 10.557(3)(d) and (e)2., Rules of the Auditor General).
- (F) Statement that the auditor applied financial condition assessment procedures pursuant to Section 10.556(8), Rules of the Auditor General (required by Section 10.554(1)(i)5.c.1, Rules of the Auditor General).
- (G) Budgetary comparison schedule for the General Fund, and each major special revenue fund with a legally adopted budget (required by Section 166.241(2) or 189.016(3), Florida Statutes, and Sections 2200.206, and 2400.102 of the GASB Codification).

Note: All references to Rules of the Auditor General are to Rules in effect for the 2013-14 fiscal year.

From: DEREK NOONAN <DEREKNOONAN@AUD.STATE.FL.US>
Sent: Wednesday, April 29, 2015 1:15 PM
To: ABRUZZO.JOSEPH
Cc: White, Deborah; Dubose, Kathy
Subject: 2013-14 FY Section 11.45(7)(b), FS, Notification - Missing Items
Attachments: Missing Items - Letter to JLAC.docx

Pursuant to Section 11.45(7)(b), Florida Statutes, this e-mail is to notify you of those charter schools and district school boards that, although requested by us to do so, have not provided significant items omitted from their 2013-14 fiscal year audit reports. The five charter schools on the attached list have not provided the requested items, although the 45-day time frame for providing the requested items has expired.

Derek Noonan, CPA
Audit Supervisor
Local Government Reviews & Special Audits
State of Florida Auditor General
Telephone: (850) 412-2864
Fax: (850) 488-6975

In the event your response contains information that may be considered sensitive or confidential pursuant to Federal or State law, please do not send that information via e-mail. Please contact me to make alternative arrangements to provide the information.

Note from JLAC: Three charter schools were reported.

LIST OF CHARTER SCHOOLS AND DISTRICT SCHOOL BOARDS
 FOR WHICH ITEMS OMITTED FROM 2013-14 FISCAL YEAR
 AUDIT REPORTS HAVE BEEN REQUESTED BUT NOT RECEIVED

<u>CHARTER SCHOOLS</u>	<u>COUNTY</u>	<u>DATE REQUESTED</u>	<u>ITEMS REQUESTED</u>
Oxford Academy of Miami	Miami-Dade	01/13/2015	(A)
Chautauqua Learn and Serve at the Arc of Walton County	Walton	03/4/2015	(B)
<u>DISTRICT SCHOOL BOARD</u>			
Orange County District School Board		03/4/2015	(C)

ITEMS OMITTED FROM 2013-14 FISCAL YEAR AUDIT
REPORTS OF CHARTER SCHOOLS AND DISTRICT SCHOOL BOARDS
WHICH HAVE BEEN REQUESTED BUT NOT RECEIVED

<u>ITEM OMITTED:</u>	<u>NUMBER OF ENTITIES</u>
(A) A statement describing the results of the auditor's determination as to whether or not the charter school complied with transparency requirements in the management letter.	1
(B) A written statement of explanation or rebuttal concerning findings and recommendations in the Report on Internal Control over Financial Reporting and Compliance.	1
(C) A statement describing the results of the auditor's determination as to whether or not the district school board met one or more of the conditions described in Section 218.503(1), Florida Statutes.	1

Florida Statutes related to Significant Audit Items Missing and Failure to Provide Evidence of Corrective Action Taken to Address Investment Policies

11.45(7) AUDITOR GENERAL REPORTING REQUIREMENTS.—

(b) The Auditor General, in consultation with the Board of Accountancy, shall review all audit reports submitted pursuant to s. 218.39. The Auditor General shall request any significant items that were omitted in violation of a rule adopted by the Auditor General. The items must be provided within 45 days after the date of the request. If the governmental entity does not comply with the Auditor General's request, the Auditor General shall notify the Legislative Auditing Committee.

(d) During the Auditor General's review of audit reports, he or she shall contact those units of local government, as defined in s. 218.403, that are not in compliance with s. 218.415 and request evidence of corrective action. The unit of local government shall provide the Auditor General with evidence of corrective action within 45 days after the date it is requested by the Auditor General. If the unit of local government fails to comply with the Auditor General's request, the Auditor General shall notify the Legislative Auditing Committee.

11.40 Legislative Auditing Committee.—

(1) The Legislative Auditing Committee may take under investigation any matter within the scope of an audit, review, or examination either completed or then being conducted by the Auditor General or the Office of Program Policy Analysis and Government Accountability, and, in connection with such investigation, may exercise the powers of subpoena by law vested in a standing committee of the Legislature.

(2) Following notification by the Auditor General, the Department of Financial Services, or the Division of Bond Finance of the State Board of Administration of the failure of a local governmental entity, district school board, charter school, or charter technical career center to comply with the applicable provisions within s. 11.45(5)-(7), s. 218.32(1), s. 218.38, or s. 218.503(3), the Legislative Auditing Committee may schedule a hearing to determine if the entity should be subject to further state action. If the committee determines that the entity should be subject to further state action, the committee shall:

(a) In the case of a local governmental entity or district school board, direct the Department of Revenue and the Department of Financial Services to withhold any funds not pledged for bond debt service satisfaction which are payable to such entity until the entity complies with the law. The committee shall specify the date such action shall begin, and the directive must be received by the Department of Revenue and the Department of Financial Services 30 days before the date of the distribution mandated by law. The Department of Revenue and the Department of Financial Services may implement the provisions of this paragraph.

(b) In the case of a special district created by:

1. A special act, notify the President of the Senate, the Speaker of the House of Representatives, the standing committees of the Senate and the House of Representatives charged with special district oversight as determined by the presiding officers of each respective chamber, the legislators who represent a portion of the geographical jurisdiction of the special district pursuant to s. 189.034(2), and the Department of Economic Opportunity that the special district has failed to comply with the law. Upon receipt of notification, the Department of Economic Opportunity shall proceed pursuant to s. 189.062 or s. 189.067. If the special district remains in noncompliance after the process set forth in s. 189.034(3), or if a public hearing is not held, the Legislative Auditing Committee may request the department to proceed pursuant to s. 189.067(3).

2. A local ordinance, notify the chair or equivalent of the local general-purpose government pursuant to s. 189.035(2) and the Department of Economic Opportunity that the special district has failed to comply with the law. Upon receipt of notification, the department shall proceed pursuant to s. 189.062 or s. 189.067. If the special district remains in noncompliance after the process set forth in s. 189.034(3), or if a public hearing is not held, the Legislative Auditing Committee may request the department to proceed pursuant to s. 189.067(3).

3. Any manner other than a special act or local ordinance, notify the Department of Economic Opportunity that the special district has failed to comply with the law. Upon receipt of notification, the department shall proceed pursuant to s. 189.062 or s. 189.067(3).

(c) In the case of a charter school or charter technical career center, notify the appropriate sponsoring entity, which may terminate the charter pursuant to ss. 1002.33 and 1002.34.