

**BEN ALBRITTON**  
President of the Senate



**DANIEL PEREZ**  
Speaker of the House



# **Joint Legislative Auditing Committee**

**Senator Jay Collins, Alternating Chair**  
**Representative Chip LaMarca, Alternating Chair**

**Meeting Packet**

**Monday, February 3, 2025**  
**412 Knott Building**

**3:30 p.m. – 5:30 p.m.**

**The Florida Legislature**  
**COMMITTEE MEETING AGENDA**  
**JOINT LEGISLATIVE AUDITING COMMITTEE**

**Senator Jay Collins, Chair**  
**Representative Chip LaMarca, Vice Chair**

**MEETING DATE: Monday, February 3, 2025**

**TIME: 3:30 p.m. - 5:30 p.m.**

**PLACE: 412 Knott Building**

**MEMBERS:**

**Senator Jason Brodeur**  
**Senator Tracie Davis**  
**Senator Stan McClain**  
**Senator Jason W. B. Pizzo**  
**Senator Corey Simon**  
**Senator Tom A. Wright**

**Representative Kimberly Daniels**  
**Representative Peggy Gossett-Seidman**  
**Representative Sam Greco**  
**Representative Yvonne Hayes Hinson**  
**Representative Rachel Saunders Plakon**  
**Representative Taylor Michael Yarkosky**

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1. Presentation of a summary of Auditor General audits of universities, colleges, and district school boards
  2. 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.





# Educational Entity Audit Findings

Legislative Auditing Committee

February 3, 2025

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## Background

### Section 11.45(2), Florida Statutes

State law requires that the Auditor General:

- Annually conduct financial audits of all State universities and Florida College System institutions.
- Annually conduct financial audits of all district school boards in counties with populations of fewer than 150,000, and once every 3 years, conduct financial audits of the accounts and records of all district school boards in counties that have populations of 150,000 or more.
- At least every 3 years, conduct operational audits of the accounts and records of State universities, State colleges, and district school boards.

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# Background

## 2023-24 Operational Audits

26 District School Boards

13 Colleges

6 Universities

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# District School Board - Findings

- Safe School Officer
  - (Alachua, Collier, Columbia, Dixie, Gulf, Jackson, Jefferson, Nassau, Okaloosa, Wakulla)
- Expenditures and Purchasing
  - (Alachua, Clay, Collier, Columbia, Dixie, Jackson, Jefferson, Lafayette, Nassau, Volusia)
- Payroll and Personnel
  - (Alachua, Broward, Clay, Collier, Jackson, Lafayette, Nassau, Polk, Volusia)
- Fiscal Transparency
  - (Alachua, Citrus, Clay, Gulf, Hardee, Jefferson, Nassau, Polk)

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## District School Board - Findings

- Information Technology Access Privileges
  - (Alachua, Citrus, Dixie, Hernando, Levy, Nassau, Okaloosa, St. Lucie, Sumter, Volusia)
- Emergency Drills
  - (Alachua, Collier, Dixie, Hardee, Jefferson, Okaloosa)
- Capital Outlay Expenditures and Related Activities
  - (Citrus, Columbia, Hardee, Holmes, Levy, Nassau, Okaloosa)
- Resiliency Education
  - (Holmes, Jackson, Jefferson, Lafayette, Nassau, Okaloosa)

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## District School Board - Findings

- Tangible Personal Property
  - (Alachua, Columbia, Holmes, Lafayette)
- Adult General Education Hourly Reporting
  - (Alachua, Hernando, Okaloosa)
- Cash Controls
  - (Columbia, Gulf, Jefferson, Lafayette)
- Workforce Development
  - (Dixie, Nassau)

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## University - Findings

- Vendor Information Changes
  - (UCF, FSU)
- Information Technology Access Privileges
  - (UCF)
- Cash and Investment Controls
  - (FAMU)
- Education and General Carryforward Reporting
  - (FAU)

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## University - Findings

- Purchasing
  - (FAMU, FIU, FAU, UF, USF)
- Personnel
  - (FAMU, UF)
- Student Fees
  - (FAU)

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## College - Findings

- Vendor Information Changes
  - (Lake-Sumter, St. Johns River)
- Information Technology Access Privileges
  - (Lake-Sumter, Eastern Florida, St. Johns River, Florida Southwestern, Chipola, Polk)
- Tangible Personal Property
  - (Indian River)
- Purchasing
  - (Indian River, Eastern Florida, Polk)

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## College - Findings

- Adult General Education Hourly Reporting
  - (Indian River, Seminole)
- Instructional Material Transparency
  - (Daytona, Seminole)
- Student Fees
  - (Pensacola, Gulf Coast, Seminole, North Florida)
- Personnel
  - (Daytona, St. Johns River, Pensacola, Seminole)

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**2 Three Peat:  
Introductory Information**

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

### Tab 2:

1. **Overview:** Failure to Correct Audit Findings – Educational Entities and Local Governments
2. **Directory of Schedules for Repeat Audit Findings**

### Tab 2a:

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 (Schedule 1)  
[Note: There were no university findings reported to the Committee this year.]
- District School Boards (Schedule 2)
- Charter Schools (Schedule 3)

### Tab 2b:

#### **Local Governmental Entities:**

- County Constitutional Officers (Schedules 4 & 5)
- Municipalities (Schedules 6 & 7)
- Special Districts (Schedules 8 & 9)

*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. The determination is made based on previous correspondence the Committee has received from the entity.*

### Tab 2c:

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

- **District School Boards, 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 district school board, a state university, or a 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 district school board or 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 district school board or 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 district school board, 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** [s. 11.45(7)(j), F.S.]

- **District School Boards, Charter Schools / Charter Technical Career Centers, 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 district school boards, 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 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 that such

action must 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 this paragraph.

(b) (Excerpt) In the case of a special district, notify the Department of Commerce, and in certain instances other specified parties, that the special district has failed to comply with the law. Upon receipt of notification, the Department of Commerce shall proceed pursuant to ss. 189.062 (potentially declare the special district inactive) or 189.067 (potential legal action), F.S. Note: In addition, certain special districts may be required to participate in a public hearing.

(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 each year since 2012. The Auditor General is required by law to conduct audits of state universities, Florida College System institutions, and district school boards.<sup>1</sup> The Auditor General is required to conduct audits of county offices, municipalities, and special districts if directed by the Committee. In addition, 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 2018-19 fiscal year through the 2022-23 fiscal year, as reported to the Committee by January 14, 2025 [Note: Over 200 local governmental entities did not timely file their audit reports; in most instances, any repeat audit findings for these entities are not included]:

Type of Entity	Number of Entities with Repeat <sup>2</sup> Audit Findings During Last Five Fiscal Years (Total Number of Repeat Findings)				
	2018-19	2019-20	2020-21	2021-22	2022-23
Colleges	0 (0)	2 (4)	1 (3)	3 (3)	4 (4)
Universities	2 (2)	1 (1)	0 (0)	0 (0)	0 (0)
District School Boards	11 (15)	7 (7)	9 (11)	9 (13)	6 (6)
Charter Schools	20 (25)	20 (27)	9 (10)	3 (3)	6 (9)
County Offices <sup>3</sup>	44 (66)	33 (50)	27 (41)	23 (33)	12 (12)
Municipalities <sup>4</sup>	96 (200)	102 (206)	97 (179)	99 (193)	53 (76)
Special Districts <sup>5</sup>	92 (154)	99 (153)	91 (150)	102 (152)	63 (90)
<b>Total</b>	<b>265 (462)</b>	<b>264 (448)</b>	<b>234 (394)</b>	<b>239 (397)</b>	<b>144 (197)</b>

### Recent Committee Action

Based on notifications received related to audit reports for the 2021-22 fiscal year, the Committee took action against 147 of the entities noted above during the meeting on December 4, 2023. 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 233 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.

### Action Available for the Committee to Take in During Winter 2025 Committee Meeting

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' 2022-23 fiscal year audit reports. 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 2022-23 fiscal year, or earlier.

<sup>1</sup>All 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.

<sup>2</sup> 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.

<sup>3</sup> 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).

<sup>4</sup> There are currently 411 municipalities in Florida.

<sup>5</sup> As of January 9, 2025, there are 2,023 active special districts in Florida.

## 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 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 Colleges

[Note: There were no university findings reported to the Committee this year.]

<i>State College</i>	<i>County</i>	<i>Schedule</i>
<b>St. Petersburg College</b>	<b>Pinellas</b>	1
<b>Hillsborough Community College</b>	<b>Hillsborough</b>	
<b>Miami Dade College</b>	<b>Miami-Dade</b>	
<b>The College of the Florida Keys</b>	<b>Monroe</b>	

### District School Boards

<i>District School Board</i>	<i>Schedule</i>
<b>Bay</b>	2
<b>Hernando</b>	
<b>Hillsborough</b>	
<b>Monroe</b>	
<b>Polk</b>	
<b>Putnam</b>	

## Charter Schools

<i>Charter School</i>	<i>County</i>	<i>Schedule</i>
<b>Byrneville Elementary School</b>	Escambia	3
<b>Championship Academy of Distinction at Hollywood</b>	Broward	
<b>Madison Creative Arts Academy</b>	Madison	
<b>Reading Edge Academy</b>	Volusia	
<b>Samula Academy</b>	Volusia	
<b>Waypoint Charter Academy</b>	Madison	

## Counties

<i>County</i>	<i>County Office</i>	<i>Schedule(s)</i>
<b>Bay County</b>	<b>Board of County Commissioners</b>	4
	<b>Sheriff</b>	4
<b>Calhoun County</b>	<b>Sheriff</b>	5
<b>Gadsden County</b>	<b>Sheriff</b>	4
<b>Hardee County</b>	<b>Sheriff</b>	4
<b>Holmes County</b>	<b>Property Appraiser</b>	5
	<b>Sheriff</b>	5
<b>Jackson County</b>	<b>Board of County Commissioners</b>	4
<b>Pasco County</b>	<b>Board of County Commissioners</b>	4
<b>Santa Rosa County</b>	<b>Board of County Commissioners</b>	4
<b>St. Johns County</b>	<b>Board of County Commissioners</b>	4
<b>Sumter County</b>	<b>Sheriff</b>	4



## Municipalities

<i>Municipality</i>	<i>County</i>	<i>Schedule(s)</i>
Alford, Town of	Jackson	6, 7
Bonifay, City of	Holmes	6, 7
Bowling Green, City of	Hardee	6
Bronson, Town of	Levy	6, 7
Bushnell, City of	Sumter	7
Center Hill, City of	Sumter	7
Century, Town of	Escambia	6
Cocoa Beach, City of	Brevard	6
Coleman, City of	Sumter	7
Cottdale, City of	Jackson	7
Daytona Beach, City of	Volusia	6
Delray Beach, City of	Palm Beach	6
Eustis, City of	Lake	6
Flagler Beach, City of	Flagler & Volusia	6
Fort Meade, City of	Polk	6
Glen Saint Mary, Town of	Baker	7
Golf, Village of	Palm Beach	6
Graceville, City of	Jackson	7
Greensboro, Town of	Gadsden	6, 7
Greenwood, Town of	Jackson	7
Hampton, City of	Bradford	6
Hialeah, City of	Miami-Dade	6
Hilliard, Town of	Nassau	7
Horseshoe Beach, Town of	Dixie	7
Interlachen, Town of	Putnam	7
Jacksonville, City of	Duval	6
Jay, Town of	Santa Rosa	6
Keystone Heights, City of	Clay	6
Lynn Haven, City of	Bay	6
Macclenny, City of	Baker	6
Madison, City of	Madison	7
Maitland, City of	Orange	6
Malabar, Town of	Brevard	6
Malone, Town of	Jackson	7
McIntosh, Town of	Marion	7
Montverde, Town of	Lake	7
Oak Hill, City of	Volusia	7
Oakland, Town of	Orange	6
Otter Creek, Town of	Levy	6, 7
Paxton, City of	Walton	7
Pierson, Town of	Volusia	7
Polk City, City of	Polk	6
Pomona Park, Town of	Putnam	6
Springfield, City of	Bay	6, 7

<b><i>Municipality</i></b>	<b><i>County</i></b>	<b><i>Schedule(s)</i></b>
<b>St. Augustine Beach, City of</b>	St. Johns	6
<b>St. Cloud, City of</b>	Osceola	6
<b>St. Lucie Village, Town of</b>	St. Lucie	7
<b>St. Marks, City of</b>	Wakulla	7
<b>Surfside, Town of</b>	Miami-Dade	6
<b>Wewahitchka, City of</b>	Gulf	7
<b>West Melbourne, City of</b>	Brevard	6
<b>Yankeetown, Town of</b>	Levy	6
<b>Windermere, Town of</b>	Orange	7

## Special Districts

<i>Special District</i>	<i>County</i>	<i>Schedule(s)</i>
<b>Alligator Point Water Resources District</b>	Franklin	9
<b>Almarante Fire District</b>	Okaloosa	8
<b>Aucilla Area Solid Waste Administration</b>	Dixie, Jefferson, Madison, Taylor	9
<b>Baker County Development Commission</b>	Baker	9
<b>Baker County Hospital District</b>	Baker	9
<b>Bay Medical Center</b>	Bay	9
<b>Beach Mosquito Control District</b>	Bay	9
<b>Brooks of Bonita Springs Community Development District</b>	Lee	8
<b>Cedar Key Water and Sewer District</b>	Levy	9
<b>City-County Public Works Authority</b>	Glades	9
<b>Clearwater Cay Community Development District</b>	Pinellas	8
<b>Creekside Community Development District</b>	St. Lucie	8
<b>Crossings at Fleming Island Community Development District, The</b>	Clay	8
<b>Doctors Memorial Hospital</b>	Holmes	8
<b>Downtown / Historic Ybor Tourism Marketing District</b>	Hillsborough	8
<b>Downtown Investment Authority</b>	Duval	8
<b>Fred R. Wilson Memorial Law Library</b>	Seminole	8, 9
<b>Gadsden Soil and Water Conservation District</b>	Gadsden	9
<b>Gilchrist Soil and Water Conservation District</b>	Gilchrist	9
<b>Hillsborough Soil and Water Conservation District</b>	Hillsborough	8
<b>Hillsborough Transit Authority</b>	Hillsborough	8
<b>Holmes Creek Soil and Water Conservation District</b>	Holmes	9
<b>Indian River Farms Water Control District</b>	Indian River	9
<b>Indian River Soil and Water Conservation District</b>	Indian River	9
<b>Jackson Soil and Water Conservation District</b>	Jackson	9
<b>Jacksonville International Airport Area Redevelopment Agency</b>	Duval	8
<b>Keystone Heights Community Redevelopment Agency</b>	Clay	8
<b>KingSoutel Crossing Community Redevelopment Agency</b>	Duval	8
<b>Lake Lucie Community Development District</b>	St. Lucie	8
<b>Lake Region Lakes Management District</b>	Polk	8
<b>Lake Shore Hospital Authority</b>	Columbia	9
<b>Lake Soil and Water Conservation District</b>	Lake	8
<b>Leon County Educational Facilities Authority</b>	Leon	8
<b>Levy Soil and Water Conservation District</b>	Levy	9
<b>Liberty Fire District</b>	Walton	8
<b>Madison County Soil and Water Conservation District</b>	Madison	9
<b>Marion County Law Library</b>	Marion	8
<b>Marion Soil and Water Conservation District</b>	Marion	9
<b>Meadow Pointe IV Community Development District</b>	Pasco	8
<b>Moore Haven Mosquito Control District</b>	Glades	8
<b>Municipal Service District of Ponte Vedra Beach</b>	St. Johns	8

<b><i>Special District</i></b>	<b><i>County</i></b>	
<b>Panama City Beach Community Redevelopment Agency</b>	Bay	8
<b>Port Orange Town Center</b>	Volusia	8
<b>Portofino Isles Community Development District</b>	St. Lucie	8
<b>Portofino Vista Community Development District</b>	Osceola	8
<b>Putnam Soil and Water Conservation District</b>	Putnam	9
<b>Renew Arlington Community Redevelopment Agency</b>	Duval	8
<b>Reunion East Community Development District</b>	Osceola	8
<b>Riverwood Estates Community Development District</b>	Pasco	8
<b>South Seminole and North Orange County Wastewater Transmission Authority</b>	Orange, Seminole	9
<b>South Village Community Development District</b>	Clay	8
<b>St. Lucie County Fire District</b>	St. Lucie	8
<b>Sterling Hill Community Development District</b>	Hernando	8
<b>Stevens Plantation Community Development District</b>	Osceola	8
<b>Suwannee County Conservation District</b>	Suwannee	9
<b>SWI Community Development District</b>	Volusia	8
<b>Taylor Coastal Water and Sewer District</b>	Taylor	9
<b>Taylor County Development Authority</b>	Taylor	9
<b>Tri-County Airport Authority</b>	Holmes, Jackson, Washington	9
<b>Westside Community Development District</b>	Osceola	8
<b>Woodlands Community Development District, The</b>	Sarasota	8
<b>Yellow River Soil and Water Conservation District</b>	Okaloosa	8

**2a Three Peat:  
Educational Entities**

# STATE COLLEGES

STATE COLLEGES

[Note: There were no university findings reported to the Committee this year.]

Failed to Take Full Corrective Action in Response to a Recommendation Included in Audit Reports Issued During July 1, 2023, through June 30, 2024, and the Two Preceding Audit Reports<sup>1</sup>

Entity	Audit Finding	MW or SD?	Year Last Response Received	Summary of Entity's Most Recent Response	Recommend Requiring a Written Response this Year?
St. Petersburg College	<p><u>AG Report No. 2024-054 (Finding #4 - Information Technology User Access Privileges to Sensitive Personal Information)</u>: The College collects and uses student SSNs for various purposes, such as to register newly enrolled students, comply with Federal tax reporting requirements and other Federal and State requirements related to financial and academic assistance, and perform other College responsibilities. In addition, employee supervisors and department administrators are required to approve IT user access privileges based on a demonstrated need for that access. As of December 2022, the College IT system contained SSNs for 887,817 students, including 684,773 former, 25,816 current, and 177,228 prospective students, and 138 employees had access to that information. The auditors examined College records supporting the access privileges of 26 selected employees to determine the appropriateness and necessity of the access privileges based on the employees' assigned job responsibilities and found that the 26 employees had a legitimate education purpose for having access to certain student SSNs; however, not all 26 employees needed access to all student SSNs and the College IT system did not have a mechanism to differentiate employee access privileges to former, current, and prospective student SSNs. The auditors also found that, while State General Records Schedules require retention periods of five years for certain records of students who apply for admission but are denied or who did not register, the College had not established a time frame for discarding the information and College records did not demonstrate a cost-benefit or risk analysis to justify maintaining this information indefinitely. Audit procedures disclosed that the College had retained sensitive personal information for 86 percent of the prospective students for more than five years, including some retained more than 40 years.</p>	N/A	N/A	N/A	Yes

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

STATE COLLEGES

[Note: There were no university findings reported to the Committee this year.]

Failed to Take Full Corrective Action in Response to a Recommendation Included in Audit Reports Issued During July 1, 2023, through June 30, 2024, and the Two Preceding Audit Reports<sup>1</sup>

Entity	Audit Finding	MW or SD?	Year Last Response Received	Summary of Entity's Most Recent Response	Recommend Requiring a Written Response this Year?
St. Petersburg College (continued)	<p>To ensure access to confidential and sensitive personal information is properly safeguarded, the auditors recommend that the College:</p> <ul style="list-style-type: none"> <li>Upgrade the College IT system to include a mechanism to differentiate the IT user access privileges to former, prospective, and current student information and limit access to that information based on employee responsibilities.</li> <li>Document the public purpose served for maintaining prospective student information beyond five years, establish a reasonable time frame for maintaining that information, and remove the information when the time frame expires. (See PDF Pages 6-7)</li> </ul>				



STATE COLLEGES

[Note: There were no university findings reported to the Committee this year.]

Failed to Take Full Corrective Action in Response to a Recommendation Included in Audit Reports Issued During July 1, 2023, through June 30, 2024, and the Two Preceding Audit Reports<sup>1</sup>

Entity	Audit Finding	MW or SD?	Year Last Response Received	Summary of Entity's Most Recent Response	Recommend Requiring a Written Response this Year?
Hillsborough Community College	<p><u>AG Report No. 2024-035 (Finding #3 - Information Technology User Access Privileges)</u>: The College established a unique identifier, other than the SSN, to identify employees and students and maintained employee and student information, including SSNs, in the College IT system. The College collects and uses SSNs for various purposes, such as to process employee benefits, comply with the Federal employee tax requirements, register newly enrolled students, and comply with Federal and State requirements related to financial and academic assistance. As of March 2023, the College IT system contained SSNs for a total of 672,454 employees and students, including 653,517 current, former, and prospective students and 18,937 current and former employees. College personnel indicated that there were 230 employees with IT user access privileges to that information. The auditors examined College records supporting the IT user access privileges to SSNs for 27 selected employees and found that 22 employees had access to student SSNs and employee SSNs but did not need access to both to perform their job duties. According to College personnel, the IT system did not have a mechanism to differentiate user access privileges to student and employee SSNs and, consequently, did not always limit access based on employee job duties. College personnel also indicated that the College plans to implement a new IT system by Fall 2026 that will differentiate user access privileges to student and employee SSNs. To properly safeguard and protect sensitive personal information, including SSNs, the auditors recommend that the College enhance procedures to ensure that only those employees who have a demonstrated need to access sensitive personal information be granted such access. The auditors further recommend that such enhancements include an upgrade to the IT system that includes a mechanism to differentiate IT user access privileges to student and employee SSNs. (See PDF Page 7-8)</p>	N/A	N/A	N/A	Yes

STATE COLLEGES

[Note: There were no university findings reported to the Committee this year.]

Failed to Take Full Corrective Action in Response to a Recommendation Included in Audit Reports Issued During July 1, 2023, through June 30, 2024, and the Two Preceding Audit Reports<sup>1</sup>

Entity	Audit Finding	MW or SD?	Year Last Response Received	Summary of Entity's Most Recent Response	Recommend Requiring a Written Response this Year?
Miami Dade College	<p><u>AG Report No. 2024-067 (Finding #2 - Student Accounts Receivable):</u> As of April 17, 2023, accounts receivable recorded in the College Current Unrestricted Fund accounting records totaled \$8.6 million for 11,205 students. The receivables included, for example, amounts due for unpaid student fees, fee deficiencies, over-disbursed financial aid, rejected e-checks, and returned checks. To evaluate the sufficiency of College controls over student accounts receivables, which totaled \$353,134 for 1,666 students as of April 2023, the auditors examined College records for 30 selected students with delinquent receivables totaling \$35,777. The auditors found that, for 17 students with receivables totaling \$13,837, the College did not send the receivables to a collection agency until 53 to 156 days, or an average of 111 days, after the 120-day notice notified the student that the account would be referred to a collection agency. The auditors recommend that the College enhance procedures to ensure that delinquent receivables are timely referred to a collection agency. (See PDF Page 5)</p>	N/A	2024 (FY 2021-22)	<p>The College has taken corrective action and will continue to do so in an effort to minimize or eliminate the occurrence of instances identified by the Auditor General.</p> <p>The College has completed the necessary system changes, including enhancements to the Enterprise Resource Planning (ERP) system of the College. The enhancements provide for the timely recording of student receivables, holds can be promptly placed on records of students with receivable balances, and delinquent receivables can be timely referred to a collection agency.</p>	Yes
The College of the Florida Keys	<p><u>AG Report No. 2024-029 (Finding #2 - Information Technology User Access Privileges to Sensitive Personal Information):</u> According to College personnel and records, the College established a unique identifier, other than the SSN, to identify each student. However, the College collects and uses SSNs for various purposes, such as to register newly enrolled students, Federal tax reporting purposes, and to comply with Federal and State requirements related to financial and academic assistance. Designated College officials and personnel are provided access to sensitive personal student information to perform an administrative, supervisory, or instructional responsibility that serves a legitimate education purpose. College procedures provide for the periodic evaluation of user access privileges to the College information technology (IT) system and, according to College personnel, the evaluation addresses access to student SSNs. As of</p>	N/A	N/A	N/A	Yes

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

STATE COLLEGES

[Note: There were no university findings reported to the Committee this year.]

Failed to Take Full Corrective Action in Response to a Recommendation Included in Audit Reports Issued During July 1, 2023, through June 30, 2024, and the Two Preceding Audit Reports<sup>1</sup>

Entity	Audit Finding	MW or SD?	Year Last Response Received	Summary of Entity's Most Recent Response	Recommend Requiring a Written Response this Year?
<p>The College of the Florida Keys (continued)</p>	<p>August 29, 2023, the College IT system contained the SSNs of 65,076 former and current students and 8,720 prospective students, and 14 College employees had access to the student SSNs. The auditors confirmed that the 14 employees had a legitimate education purpose for having access to current student SSNs; however, not all 14 employees needed access to former and prospective student SSNs and the College IT system did not have a mechanism to differentiate employee access privileges to former, current, and prospective student SSNs. The auditors also found that, while State General Records Schedules require retention periods of five years for certain records of students who apply for admission but are denied or who did not register, the College had retained sensitive personal information for 80 percent of the prospective students for more than five years. In addition, the College had not established a time frame for discarding the information and College records did not demonstrate a cost-benefit or risk analysis to justify maintaining this information indefinitely.</p> <p>To ensure access to confidential and sensitive personal information is properly safeguarded, the auditors recommend that the College:</p> <ul style="list-style-type: none"> <li>• Upgrade the College IT system to include a mechanism to differentiate the IT user access privileges to former, prospective, and current student information and limit access to that information based on employee responsibilities.</li> <li>• Continue efforts to discard the information of prospective students who are not enrolled in the College five years after applying for admission. (See PDF Pages 4-5)</li> </ul>				

**STATE COLLEGES**

[Note: There were no university findings reported to the Committee this year.]

**Failed to Take Full Corrective Action in Response to a Recommendation Included in Audit Reports Issued During July 1, 2023, through June 30, 2024, and the Two Preceding Audit Reports<sup>1</sup>**

LEGEND:

1. These audits have been conducted by the Auditor General pursuant to Section 11.45(2)(c) or (f), *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.

# **DISTRICT SCHOOL BOARDS**

**DISTRICT SCHOOL BOARDS**

Failed to Take Full Corrective Action in Response to a Recommendation Included in Audit Reports Issued During July 1, 2023, through June 30, 2024, and the Two Preceding Audit Reports<sup>1</sup>

County	Audit Finding(s)	MW or SD?	Year Last Response Received	Summary of Entity's Most Recent Response	Recommend Requiring a Written Response this Year?
Bay	<p><u>AG Report No. 2024-088 (#1 – Contractor Worker Background Screenings)</u>: The Board routinely contracts for health, special education, mental health, social worker, food, and athletic trainer services. According to District records for the period July 2022 through March 2023, 213 contractor workers provided these services and were permitted access on school grounds when students were present or had direct contact with students. However, District personnel indicated that a comprehensive list of contractor workers required to undergo background screenings is not maintained. To determine whether required background screenings were timely obtained for contractor workers, the auditors requested for examination District records supporting screenings of 33 contractor workers and found that the required background screenings had not been obtained for 5 special education speech therapists and 1 health service worker. District personnel indicated that, since the 5 therapists provided virtual therapy services, they were unaware that a background screening was required for these individuals and that the health service worker was not screened due to an oversight. In response to audit inquiry in October 2023, District personnel indicated that the 6 contractor workers no longer provide services for the District. The auditors recommend that the District enhance procedures to ensure that all contractor workers, including those providing virtual services, have obtained the required background screenings. The auditors further recommend that such enhancements include the establishment of a comprehensive, up-to-date list of contractor workers subject to background screenings. (See PDF Pages 3-4)</p>	N/A	N/A	N/A	Yes
Hernando	<p><u>CPA Report FY 2022-23 (#2017-1 – Inventory and Tracking of Capital Assets and Construction in Progress)</u>: The original prior year finding stated: (1) during their review of the capital asset records, the auditors noted that an inventory of capital assets should be performed that reconciles all capital assets in the subsidiary ledger with capital assets on hand; (2) the auditors noted discrepancies of the information provided and management was required to provide additional information and</p>	SD	2024 (FY 2021-22)	<p>The District's School Distribution Warehouse has responsibility for maintaining the fixed asset inventory. While there have been past issues with accuracy of inventory systems, the following corrective measures have been implemented:</p> <ol style="list-style-type: none"> <li>Updated equipment has been purchased to expedite the processing of the fixed asset inventory tracking.</li> </ol>	Yes

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

DISTRICT SCHOOL BOARDS

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County	Audit Finding(s)	MW or SD?	Year Last Response Received	Summary of Entity's Most Recent Response	Recommend Requiring a Written Response this Year?
Hernando (continued)	<p>reconciliations; and (3) in the 2017 fiscal year, an invoice for construction costs of approximately \$900,000 was never submitted for payment from the department responsible for the approval of construction invoices. The auditors recommended that the departments responsible for the safeguarding of these capital assets and record keeping perform additional reviews and reconciliations of the physical locations of these capital assets, including the documentation of the procedures, to ensure that the inventory records and the financial records are in agreement. The auditors further recommended that the additional procedures provide for improvement in financial reporting, timely payment, and monitoring of construction and capital assets.</p> <p><u>Current year status:</u> This area continues to need improvement. (See PDF Page 165)</p>			<ol style="list-style-type: none"> <li>2. Schools are visited multiple times each year to ensure the highest rate of location of tagged assets.</li> <li>3. To date, 21 of 41 schools or departments (52%) have had at least one visit as of the date of this writing with 100% having been visited by mid-March.</li> <li>4. A new Director of Purchasing and Warehouse was hired in October 2023 and is highly engaged in oversight of this important task.</li> <li>5. Reports are sent very early on in the year (5-6 months earlier than previously) to the principals so that they are informed of the process, the status of tagged inventory assigned to their campus and the necessity for them to assist with locating all tagged assets.</li> <li>6. Standardization of asset tag placement will further assist in expediting the inventory scanning.</li> <li>7. Written procedures on processing construction invoices for payment have been communicated to school and District bookkeepers, particularly facilities and maintenance bookkeepers. The procedures include running reports on open purchase orders periodically throughout the year and sent to bookkeepers for review and to update the status of all open active projects.</li> </ol> <p>District staff track all active projects and document the status of each on an Excel spreadsheet. The spreadsheet will include the projects by name, account number, vendor number, purchase order number, payment history, and retainage payable. The tracking spreadsheet will be reviewed and updated throughout the year to ensure invoices paid reconcile with the services rendered and assets are updated within the project contract terms.</p>	

**DISTRICT SCHOOL BOARDS**

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County	Audit Finding(s)	MW or SD?	Year Last Response Received	Summary of Entity's Most Recent Response	Recommend Requiring a Written Response this Year?
Hillsborough	<p><u>AG Report No. 2024-050 (#3 – Information Technology User Access Privileges)</u>: Pursuant to Section 1008.386, <i>Florida Statutes</i>, the District identified each student using a Florida education identification number assigned by the Florida Department of Education (FDOE). However, student SSNs are included in the student records maintained within the District student information system (SIS) for specific purposes. As of April 2023, the District SIS contained the SSNs for 831,530 former and 177,221 current District students, and 1,238 District employees had IT user access privileges to that information. The auditors noted that the District SIS did not restrict access to specific fields when users had update access to student information in the SIS or include a mechanism to differentiate the access privileges to former and current student SSNs. The auditors examined District records supporting the access privileges of 30 selected employees who had access to student SSNs and found that:</p> <ul style="list-style-type: none"> <li>• 11 employees needed access to certain student information but did not have a demonstrated need to access student SSNs; these individuals included, for example, an accounting clerk, a consultant, a contracted vendor, and nurses.</li> <li>• The other 19 selected employees had access to both former and current student SSNs; however, not all 19 employees needed access to former student SSNs.</li> </ul> <p>District personnel indicated that the District plans to implement a new SIS in July 2024 to mask student SSNs from the view of those who do not need the access. To properly safeguard and protect student SSNs, the auditors recommend that the District: (1) Update the SIS to mask student SSNs from SIS users who do not require such access to perform their job duties and differentiate IT user access privileges to current student SSNs from access privileges to former student SSNs; and (2) Enhance procedures for conducting periodic evaluations of IT user access privileges to ensure that inappropriate or unnecessary access privileges to student SSNs are detected and promptly removed. (See PDF Pages 5-6)</p>	N/A	N/A	N/A	Yes



**DISTRICT SCHOOL BOARDS**

Failed to Take Full Corrective Action in Response to a Recommendation Included in Audit Reports Issued During July 1, 2023, through June 30, 2024, and the Two Preceding Audit Reports<sup>1</sup>

County	Audit Finding(s)	MW or SD?	Year Last Response Received	Summary of Entity's Most Recent Response	Recommend Requiring a Written Response this Year?
Monroe	<p><u>AG Report No. 2024-032 (#3 – Adult General Education Classes)</u>: The District reported 61,728 instructional contact hours provided to 497 students enrolled in 74 classes during the 2022-23 fiscal year. The auditors examined District records for the 2,906 contact hours provided to 30 selected students enrolled in 14 adult general education classes and noted that instructional contact hours for 7 students were over-reported by 142 hours (ranging from 5 to 46 hours). The auditors recommend that the District provide appropriate training to ensure that staff accurately report instructional contact hours for adult general education classes to the FDOE. The District should also determine the extent, if any, that adult general education hours were misreported and contact the FDOE for proper resolution. (See PDF Pages 4-5)</p>	N/A	N/A	N/A	Yes
Polk	<p><u>CPA Report FY 2022-23 (#2023-001 – Material Audit Adjustments)</u>: The auditors identified one audit adjustment, totaling approximately \$5 million, that was necessary for the financial statements to be reported in accordance with accounting principles generally accepted in the United States. Prior to the audit adjustment, receivables and revenue were materially understated. The auditors recommend that District Management implement additional year-end close internal controls and state that such controls should include reconciling every account and ensuring each reconciliation is reviewed for accuracy. (See PDF Pages 180-181)</p>	MW	N/A	N/A	Yes

DISTRICT SCHOOL BOARDS

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County	Audit Finding(s)	MW or SD?	Year Last Response Received	Summary of Entity's Most Recent Response	Recommend Requiring a Written Response this Year?
Putnam	<p><u>AG Report No. 2024-167 (#2023-001 - Financial Reporting)</u>: District financial reporting procedures continue to need improvement to ensure that financial statements are properly presented in the annual financial report (AFR) submitted to the Florida Department of Education (FDOE). For example, before audit adjustments:</p> <ul style="list-style-type: none"> <li>For the Governmental Activities on the Statement of Net Position, total liabilities, deferred inflows of resources, and net position exceeded assets and deferred outflows of resources by \$8,624,636; and</li> <li>The amounts for the North East Florida Education Consortium (NEFEC) Risk Management (Property/Casualty) Program were reported in the NEFEC Other Programs Fund column in each proprietary fund financial statement rather than in a separate column.</li> </ul> <p>District personnel responsible for AFR preparation misunderstood how to properly report all information in the AFR. While the Board approved the AFR, the District had not established review procedures to detect AFR errors prior to Board approval and submittal of the AFR to the FDOE. Reporting errors such as these may cause financial statement users to misunderstand the District's financial activities, incorrectly assess the District's financial position, and not readily identify the District's most significant funds. The auditors extended audit procedures to determine the adjustments necessary to ensure that the financial statement amounts balanced and major funds were properly presented, and District personnel accepted the adjustments. However, the audit procedures cannot substitute for management's responsibility to implement adequate controls over financial reporting. The auditors recommend that the District improve procedures to ensure that financial statement information is properly reported. The auditors further recommend that such procedures include appropriate training for staff who prepare the AFR and review procedures to detect AFR errors prior to Board approval and submittal of the AFR to the FDOE. (See PDF Pages 83-84)</p>	SD	2024 (FY 2021-22)	<p>Since 2020, the Finance Office began steps to alleviate this finding. The initial finding came about during a year of transition as the prior Finance Director resigned unexpectedly in November 2019 and did not leave notes or instructions on completing the Annual Financial Report (AFR). The incoming Finance Director had no experience in preparing the AFR and had a great deal of trouble securing training help mainly due to the COVID-19 pandemic. After the initial finding, the District began a concerted effort to ensure the staff member who prepares the AFR is properly trained. The District's AFR is significantly different from the AFR's of other Florida school districts as it is the fiscal agent of the North East Florida Educational Consortium (NEFEC) and has to include NEFEC's financials. This makes it a business-type entity and greatly complicates the procedures. Even the Auditor General Staff testifies to the extra steps and processes that as fiscal agent the District encounters.</p> <p>In November 2021, the District reached out to a local CPA firm who completes the District's internal accounts audit, requesting a quote on training and helping complete the AFR for FY 2021-22. Various communications occurred throughout June 2022 when the CPA firm had to back out based on not having time to help complete it. In early September 2022, the CFO of Lake County School District agreed to work with the District's Finance Director and provide training throughout the year and actually help with the preparation of the AFR. He began reviewing documents and updating the District's AFR with notes and feedback. In February 2023, the District's Finance Director attended an AFR training hosted by the CFO, and in March 2023 the District acquired the CFO's services to help with the AFR preparation for FY 2022-23. A continuing contracted</p>	Yes

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

**DISTRICT SCHOOL BOARDS**

Failed to Take Full Corrective Action in Response to a Recommendation Included in Audit Reports Issued During July 1, 2023, through June 30, 2024, and the Two Preceding Audit Reports<sup>1</sup>

County	Audit Finding(s)	MW or SD?	Year Last Response Received	Summary of Entity's Most Recent Response	Recommend Requiring a Written Response this Year?
Putnam (continued)				relationship is in place for training and assistance with the AFR for the FY 2023-24, with District staff being in attendance at quarterly meetings of finance coaching sessions hosted by the Lake County School District. The District believes it has completed steps to keep this from being a repeat finding in the financial audit to be completed in 2025 for FY 2023-24.	

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

**DISTRICT SCHOOL BOARDS**

**Failed to Take Full Corrective Action in Response to a Recommendation Included in Audit Reports  
Issued During July 1, 2023, through June 30, 2024, and the Two Preceding Audit Reports<sup>1</sup>**

FOOTNOTE/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

**CHARTER SCHOOLS**

Failed to Take Full Corrective Action in Response to a Recommendation Included in the 2022-23 Fiscal Year Audit Report and the Two Preceding Audit Reports<sup>1</sup>

County	Charter School	Audit Finding(s)	MW or SD?	Year Last Response Received	Summary of Entity's Most Recent Response	Recommend Requiring a Written Response This Year?
Escambia	Byrneville Elementary School	<u>2023-001 – Segregation of Duties</u> : The size of the School’s accounting and administrative staff precludes certain internal controls that would be preferred, namely segregation of custody of assets and recording duties. The auditors believe that certain practices could be implemented to improve existing internal control without impairing efficiency. Errors or material misstatements in the financial statements presented to the School’s governing board by management may exist and not be detected. The auditors recommend that management develop compensating controls. (See PDF Page 37)	MW	N/A	N/A	Yes
Broward	Championship Academy of Distinction at Hollywood	<u>2023-001 – Total fund balance deficit and deficit in net position</u> : The School has a total fund balance deficit of \$85,615 and a deficit in net position of \$860,227 at June 30, 2023. The deficit in net position for the 2022-23 fiscal year is primarily due to the negative impact of continuing implementation of GASB Statement 87 accounting in which the school records the right to use lease asset and liability and as a result recorded an additional (\$520,634) in non-cash excess amortization of lease expense. The auditors recommend that the School’s governing board approve the adopted annual budget by July 1st of each year and review the budget on a monthly basis compared to actual revenues and expenses. The auditors further recommend that, as needed and appropriate, the budget be amended and approved by the governing board following the October and February FTE periods and account for significant unanticipated revenues and expenditures. (See PDF Pages 34-35)	N/A	N/A	N/A	Yes

**CHARTER SCHOOLS**

Failed to Take Full Corrective Action in Response to a Recommendation Included in the 2022-23 Fiscal Year Audit Report and the Two Preceding Audit Reports<sup>1</sup>

County	Charter School	Audit Finding(s)	MW or SD?	Year Last Response Received	Summary of Entity's Most Recent Response	Recommend Requiring a Written Response This Year?
Madison	Madison Creative Arts Academy	<u>2023-001 - Preparation of Financial Statements and Significant Adjustments:</u> The Academy's system of internal control over the objectives of reliability of financial reporting contains certain deficiencies. 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 generally accepted accounting principles. For the 2022-23 fiscal year, certain adjustments were required to be made to the accounting records subsequent to the start of the audit process. Since these adjustments resulted in a material misstatement of the financial statements, this deficiency is deemed to be a material weakness. The auditors recommend that management select and apply the appropriate accounting principles to prepare the financial statements in accordance with generally accepted accounting principles. (See PDF Page 40)	MW	N/A	N/A	Yes
Volusia	Reading Edge Academy	<u>2023-001 – Public Depositor Annual Report to the Chief Financial Officer:</u> The auditors noted that the School did not file the Public Depositor Annual Report to the Chief Financial Officer with the Florida Department of Financial Services for each bank account during the fiscal year. To obtain the additional protection on cash deposits allowed for in the Florida Statutes, the School must sign and file the annual form for each bank account. The auditors recommend that the School file said form for each bank account. (See PDF Page 33)	N/A	N/A	N/A	Yes

**CHARTER SCHOOLS**

Failed to Take Full Corrective Action in Response to a Recommendation Included in the 2022-23 Fiscal Year Audit Report and the Two Preceding Audit Reports<sup>1</sup>

County	Charter School	Audit Finding(s)	MW or SD?	Year Last Response Received	Summary of Entity's Most Recent Response	Recommend Requiring a Written Response This Year?
Volusia (continued)	Reading Edge Academy (continued)	<u>2023-002 – General Fund and Capital Fund Budgetary Compliance:</u> The auditors noted that actual expenditures and transfers exceeded the approved amounts in the School’s budget. Florida Statutes allow the budget compliance matter to be resolved by budget amendments within 60 days of fiscal year-end; however, no amendments were made to the budgeted expenditures and transfers, resulting in actual amounts exceeding the approved budget. The auditors recommend that the School perform a budget-to-actual analysis monthly or any time significant new expenditures are incurred and amend the budget as necessary to ensure the School is in compliance with budgetary regulations. (See PDF Page 33)	N/A	N/A	N/A	Yes
	Samula Academy	<u>2023-003 - Public Depositor Annual Report to the Chief Financial Officer:</u> The auditors noted that the School did not file the Public Depositor Annual Report to the Chief Financial Officer with the Florida Department of Financial Services for each bank account during the fiscal year. To obtain the additional protection on cash deposits allowed for in the Florida Statutes, the School must sign and file the annual form for each bank account. The auditors recommend that the School file said form for each bank account. (See PDF Page 33)	N/A	N/A	N/A	Yes
		<u>2023-004 General Fund Budgetary Compliance:</u> The auditors noted that actual expenditures and transfers exceeded the approved amounts in the School’s budget. Florida Statutes allow the budget compliance matter to be resolved by budget amendments within 60 days of fiscal year-end; however, no amendments were made to the budgeted expenditures and transfers, resulting in actual amounts exceeding the approved budget. The auditors recommend that the School perform a budget-to-actual analysis monthly or any time significant new expenditures are incurred and amend the budget as necessary to ensure the School is in compliance with budgetary regulations. (See PDF Page 34)	N/A	N/A	N/A	Yes



**CHARTER SCHOOLS**

Failed to Take Full Corrective Action in Response to a Recommendation Included in the 2022-23 Fiscal Year Audit Report and the Two Preceding Audit Reports<sup>1</sup>

County	Charter School	Audit Finding(s)	MW or SD?	Year Last Response Received	Summary of Entity's Most Recent Response	Recommend Requiring a Written Response This Year?
Madison	Waypoint Charter Academy	<u>2023-001 - Transparency</u> : The auditors determined that the Academy's website did not maintain all information required by the Florida Statutes. (See PDF Page 23)	N/A	N/A	N/A	Yes
		<u>2023-002 – Charter Filing Requirements</u> : The auditors noted that the Academy did not fulfill certain financial filing requirements timely as outlined in the District charter. The auditors recommend that the Academy file all required reports with the District School Board as required by the charter. (See PDF Page 23)	N/A	N/A	N/A	Yes

FOOTNOTE/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.

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**2b Three Peat:  
Local Governmental  
Entities**

# COUNTIES

COUNTIES

**Local Governmental Entities That Failed to Take Full Corrective Action in Response to a Recommendation  
Included in the FY 2022-23 Fiscal Year Audit Report and the Two Preceding Audit Reports<sup>1</sup>**

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?
Bay County	Board of County Commissioners	<u>2023-001 - Revenues/Collections</u> : The County issued permits that were not in accordance with the permit fee schedule established by the County through Resolution 3945 and Resolution 3957. Issues in the permit system resulted in permits being incorrectly calculated for certain permit types. As a result, a payable entry was recorded projecting the dollar amount of permits that were calculated in excess of the rates established in the resolutions. The auditors recommend that the County correct issues in the permit system to ensure permits are properly calculated. The auditors also recommend that the County determine the impact of permits that were calculated in excess of the rates established in the resolution and initiate a plan of action to remedy those permits. (See PDF Page 221)	MW	2024 (FY 2021-22)	In October 2023, the Builders Safety Division of Bay County implemented a new software for calculating and collecting building permits. As part of the implementation, permit calculations have been reviewed and verified by Builders Safety staff to ensure that permit fees are being calculated accurately. In addition, the Office of the Inspector General Division of the Bay County Clerk of Court and Comptroller will perform periodic reviews of the permits to confirm that the calculations are accurate based on the annual fines and fees schedule approved by the Bay County Board of County Commissioners. In an effort to determine the impact of permits that were calculated in excess of the rates established by Bay County and initiate a plan to remedy those permits, the Builders Safety Division has contracted with a third party to review and recalculate permits from the prior fiscal years.	Yes
	Sheriff	<u>2023-001 - General Accounting Records</u> : Material adjustments to the financial records for cash, expenses, unearned revenue, accounts payable, and accrued liabilities, were made in order for the financial statements to conform to generally accepted accounting principles. Internal controls should prevent or detect and correct errors in a timely manner in order to provide correct financial information. The Sheriff's controls did not identify the adjustments timely, and adjustments were required for current year balances. The auditors recommend that the Sheriff accounting staff continue to strive toward identifying proposed audit adjustments more timely. (See PDF Page 370)	MW	N/A	N/A	Yes

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

COUNTIES

Local Governmental Entities That Failed to Take Full Corrective Action in Response to a Recommendation Included in the FY 2022-23 Fiscal Year Audit Report and the Two Preceding Audit Reports<sup>1</sup>

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Gadsden County	Sheriff	<p><u>2023-01 - Financial Statement Close</u>: Pursuant to Section 218.36, Florida Statutes, each County officer is required to make an annual report of revenues and expenditures within 31 days of the close of the fiscal year. While this report was submitted to the County by October 31, 2023, as required, the report was based on preliminary estimates. The accounting records of the Sheriff's office were not officially closed and ready for audit until February 2024. According to Sheriff personnel, the delay in the closing of the books and the preparation of year-end reconciliations was due to the lack of sufficient staffing in the Sheriff's accounting department necessary to have all transactions entered into the accounting system, prepare all year-end account balance reconciliations, including the calculations of excess fees, and submit any required budget amendments in a timely manner. Without effective procedures in place to close the books and prepare timely reconciliation of accounts, there is an increased risk that errors or fraud will go undetected for long periods of time or that instances of non-compliance with budgetary requirements for appropriation of expenditures will occur. The auditors recommend that the Sheriff's office continue to evaluate the need to hire additional accounting staff to assist with the monthly and year-end closing process. The auditors further recommend that: (1) a detailed plan be established, including scheduled completion dates for each step required in the closing process; and (2) the Sheriff's office implement procedures to ensure that all balance sheet accounts are reconciled within 20 days of month-end. (See PDF Page 190)</p>	N/A	N/A	N/A	Yes

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COUNTIES

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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?
Hardee County	Sheriff	<p><u>2023-001 - Audit Adjustments and Account Reconciliations:</u> The Sheriff's management is responsible for establishing and maintaining internal controls to ensure that transactions are properly recorded and reported in the financial statements in accordance with accounting principles generally accepted in the United States of America (GAAP). In the current and prior years, material audit adjustments to correct the Sheriff's financial statements were identified during the audit. Accounts including receivables, accrued liabilities, and liabilities to other governments did not reconcile to supporting documentation. The auditors noted that: (1) there is unfamiliarity with how to account and report for certain transactions; (2) account reconciliations were either not performed or were not completed in a manner that identified and resolved issues with account balances; and (3) assets, liabilities, expenditures, and other financing uses were misstated. The auditors recommend that: (1) account reconciliations be prepared monthly, including at fiscal year-end, by one person and reviewed by another; (2) reconciliations be performed for all balance sheet accounts including, receivables, accounts payable, liabilities to other governments, and any other balances; (3) review of certain revenue and expenditure accounts be performed as well to assist in identifying errors; (4) any discrepancies be investigated and resolved; and (5) trial balances be reviewed to ensure that all accounts are reconciled and any related adjustments from a prior or current year are posted. (See PDF Page 247)</p>	MW	2024 (FY 2021-22)	<p>The Sheriff's Office (Office) has taken full responsibility for addressing the identified issues, despite the audit findings for the 2019-20 and 2020-21 fiscal years occurring under a former Sheriff's tenure. The Office's commitment to transparency and accountability remains unwavering, and several proactive measures have been implemented to enhance the Office's financial processes and ensure compliance with audit standards. One significant improvement has been observed in the audit adjustments and account reconciliations for the 2022-23 fiscal year. Through diligent efforts and enhanced oversight, the Office has minimized the need for adjustments, reflecting a more accurate and transparent financial reporting process. Furthermore, in August 2023, there was a change in management within the Finance Office. This strategic decision was made to instigate improved processes and bolster internal controls, ultimately enhancing the efficiency and effectiveness of financial operations. Additionally, the Office has increased consultation with its auditors to leverage their expertise and guidance in addressing audit findings and strengthening the financial management practices.</p>	Yes

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Jackson County	Board of County Commissioners	<p><b>BCC 2022-005 - Reporting - Compliance and Controls:</b> 2 CFR 200.303(a) of the Uniform Guidance requires non-federal entities to establish and maintain effective internal control over Federal awards that provides reasonable assurance that the non-federal entity is managing the federal award in compliance with federal statutes, regulations, and the terms and conditions of the federal award. Additionally, per the County's grant agreements with Florida Division of Emergency Management (FDEM), quarterly reports are required to be submitted through FloridaPA.com that include project costs and expenditures for each large project. Amounts in the quarterly reports should reconcile to the County's accounting records and represent actual expenditures. For the two prior fiscal years, two large projects were tested for compliance with this requirement, including all quarterly reports submitted for these projects. For all quarterly reports tested in both fiscal years, the reported expenditures per quarter were unable to be reconciled to actual expenditures in the quarter per the invoices and other supporting documentation in the County's files. The auditors stated that the issues may be related to: (1) a timing difference between when expenditures were reported vs. when the activity actually occurred and/or consulting staff who prepared the quarterly reports used estimated rather than actual expenditures; (2) turnover in consulting staff in a prior year; and (3) consulting staff may not have been properly trained. As a result, the County is reporting incorrect project expenditures to FDEM in quarterly reports, which can affect project cost tracking. Under the terms of the grant agreements, submission of inaccurate or</p>	N/A	N/A	N/A	Yes

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COUNTIES

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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?
Jackson County (continued)	Board of County Commissioners (continued)	incomplete reports could result in FDEM ceasing disbursements to the County, termination of the agreements, or other remedies. FDEM is responsible for oversight of the operations of the federal award supported activities. Due to the County's incorrect reporting, FDEM could be reporting incorrect expenditures to the federal agency. The auditors recommended additional training for consulting staff handling quarterly reports to ensure the correct amounts are being included, and a specific review of quarterly report information by a higher level prior to submission to ensure accurate reporting of project costs. <u>Current year status:</u> The auditors state that the condition continues to exist and there have been no additional costs added to the projects to reconcile. (See PDF Page 134)				
Pasco County	Board of County Commissioners	<u>2023-002 – Preparation of the Schedule of Federal Awards and State Financial Assistance:</u> The County had a control weakness that resulted in management failing to comply with the requirement to prepare an accurate Schedule of Expenditures of Federal Awards and State Financial Assistance (Schedule). Federal and State expenditures were understated on the Schedule by approximately \$38,810,000 related to five grant programs; additionally, one assistance listing number was incorrectly reported on the Schedule. Loan balances for Federal Awards and new loans for one State project were excluded from the County-prepared Schedule, and an incorrect assistance listing number was presented for one program. The auditors recommend that the County improve its financial reporting close process to perform a final review the Schedule to ensure completeness and accuracy of	MW	2024 (FY 2021-22)	To assist in implementing strong controls, Pasco County has dedicated workforce resources to build a Grants Management Division within the Office of Management and Budget. By the end of the 2023-24 fiscal year, this Division should be fully implemented as the Grants Manager was hired in October 2023, and the County is actively filling the other positions. The Grants Management Division will be ensuring the County recipients of grant funding are compliant throughout the lifecycle of awarded grants through implementing best practices, such as mock compliance audit reviews. The Grants Management Division will continue hosting Audit Review Team (ART) meetings, which began in the 2021-22 fiscal year. The intent of these meetings is to review grant agreements, CFDA/ALN/CFSA numbers, subrecipient information, award amounts, pass through information, match amounts, and the eligibility of current year expenditures. The County has	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?
Pasco County (continued)	Board of County Commissioners (continued)	information reported. The auditors also recommend that this process include a procedure to have someone in each department perform an independent review of their portion of the Schedule. (See PDF Page 443)			also created a series of grant trainings through its internal Pasco University (PascoU) training program. As of March 21, 2024, the County's Single Audit review has not been completed for FY 2022-2023. [Note: The response packet included the following documents, which are on file in the Committee office: (1) an organizational chart for the Grants Management Division with titles and job descriptions; (2) a flowchart depicting the procedures for grant administration to include the pre-award, award and post-award phases of the grant lifecycle; and (3) a specific Corrective Action Plan.]	
Santa Rosa County	Board of County Commissioners	<u>2023-001 – Grant Revenue Recognition</u> : The County's internal control over financial reporting is designed to allow for management and employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, a material misstatement on a timely basis. Pursuant to GASB Statement No. 33, recipients of expenditure-driven grants should recognize revenue as qualifying expenditures are incurred. The auditors noted that supporting documentation for grant revenues and expenditures did not reconcile to the accounting records and to the Schedule of Expenditures of Federal Awards (Schedule). Reconciliation of grant activities for financial reporting purposes was not prepared and reviewed on a timely basis by appropriately experienced and trained personnel. While the County has a written policy for grant administration activities, the policy does not provide the guidance necessary to facilitate financial reporting of grant activities in accordance with U.S. general accepted accounting procedures as well as preparation of the Schedule required by the Uniform Guidance. Adjustments were required to properly	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?
Santa Rosa County (continued)	Board of County Commissioners (continued)	reconcile grant activity for financial reporting purposes and prepare the Schedule. The auditors recommend that management review grant policies and procedures with key personnel to ensure the process for estimating the year-end grant accrual balance allows for matching grant revenues with related qualifying expenditures. The auditors further recommend that the policies reflect who is responsible for preparing and reviewing the reconciling schedule of grant activities for financial reporting purposes as well as preparation of the Schedule. (See PDF Page 164)				
St. Johns County	Board of County Commissioners	<u>MLC 2020-002 - Unexpended Fund Balance – Building Permits</u> : The County's unexpended building permit funds in the Building Services Fund at fiscal year-end exceeded the County's average operating budget for enforcing the Florida Building Code for the previous four fiscal years by substantial amounts. The auditors continue to recommend that the County take steps to reduce the amount of unexpended building code balances in order to comply with Section 553.80(7)(a), Florida Statutes. (See PDF Page 267)	N/A	2024 (FY 2021-22)	The upcoming April 16, 2024, Board of County Commissioners (BCC) meeting will provide the necessary corrective action to resolve the audit finding; specifically, the award of a construction bid for a St. Johns County Permit Center facility addition, programmed within the Commission's Capital Improvement Plan, and in compliance with Section 553.80(7)2, Florida Statutes. Unfortunately, the County's COVID-19 pandemic response efforts postponed initial construction timelines for the Permit Center. Subsequently, post COVID-19 pandemic market uncertainty drove construction bid response prices significantly higher than experienced prior to the pandemic. Like many Florida counties, St. Johns County again postponed construction projects, including the Permit Center project, until such time construction prices normalized. In the 2022-23 fiscal year, the County solicited construction bids for the Permit Center through Invitation for Bid (IFB) 1724, and, on April 16, 2024, the BCC will consider a motion to award IFB 1724 to the most responsive and responsible bidder. As a result of this upcoming Commission action, the accumulated building permit funds will be encumbered, thereby implementing	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?
St. Johns County (continued)	Board of County Commissioners (continued)				the corrective action necessary to resolve the audit finding. It is anticipated the construction project will be completed within 24 months. It is also important to note that, in August 2020, the BCC approved a 30 percent reduction to building permit fees to minimize future reserve accumulations. That reduction remains in effect and is monitored on a quarterly basis (by the Office of Management & Budget) should additional changes be necessary to ensure compliance with Section 553.80(7)(a), Florida Statutes.	
Sumter County	Sheriff	<u>2023-001 - Service Organization Internal Control Monitoring</u> : The Sheriff's Office (Office) is responsible for maintaining effective internal controls over financial transactions and reporting. The Office contracts with service organizations to provide commissary and telephone services to inmates. The Office does not monitor internal controls of the service organizations over revenue collection and remittance. A service contract was not available between the Office and the commissary provider. The service organizations do not provide Service Organization Controls audit reports (SOC-1, Type 2) for the services they provide to the Office and the Office has not taken alternative steps to identify and monitor relevant controls. As a result, risk of misappropriation of assets or understatement of revenue earned related to inmate commissary and telephone services is elevated. The auditors recommend that the Office request an annual Service Organization Controls audit reports (SOC-1, Type 2) from each of the service organizations and implement and monitor relevant user controls. The auditors further recommend that, if such a report is unavailable, the Office take alternative steps to understand and	MW	2024 (FY 2021-22)	The finding was issued as a material weakness in controls due to the lack of a service organizations' annual Service Organizations Controls, Type 2 report (SOC 1, Type 2). The Sheriff's Office has requested these reports from the service organizations; however, the Office has been unsuccessful in obtaining the report. As a result, the Office monitors revenue as a compensating control and believes that revenue is fairly reported.	Yes

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Sumter County (continued)	Sheriff (continued)	monitor the controls at the service organizations and to identify, implement, and monitor the relevant user controls. Additionally, the auditors recommend establishing a written contract with the provider. (See PDF Page 199)				

FOOTNOTE/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.

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COUNTIES

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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?
Calhoun County	Sheriff	<p><u>Sheriff 2004-002 - Segregation of Duties</u>: There is a lack of segregation of duties between employees who have recordkeeping responsibility and employees in custody of the Sheriff's assets because the Sheriff has limited personnel in the accounting department. The possibility exists that unintentional or intentional errors or irregularities could occur and not be promptly detected. The auditors realize that, due to the limited number of employees and certain incompatible duties being performed by the same employee, it is difficult to achieve ideal separation of duties. Nevertheless, the auditors state internal control is strengthened when incompatible duties are separated and review procedures are established and adhered to. The auditors also recommend that the Sheriff log in to the bank's website and review the original bank statement. (See PDF Page 168)</p>	SD	2017 (FY 2014-15)	The Sheriff's Office is a very small agency. Limited funding prohibits the hiring of additional staff to strengthen internal controls. The finance officer/administrative assistant is supervised directly by the Sheriff. The Sheriff will continue to monitor the finances and review bank statements each month in order to provide a measure of assurance of proper accountability and handling of the Sheriff's finances.	No

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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?
Holmes County	Property Appraiser	<p><u>2012-02 - Disbursement Controls</u>: Due to limited number of personnel involved in the cash disbursement process, some critical duties are not adequately segregated. The Chief Deputy Property Appraiser's (Chief Deputy) responsibilities include recording accounts payable, check register review and approval, establishing vendor files, and preparation of bank account reconciliations. The Chief Deputy is not an authorized check signer but has access to the general ledger and Information Technology rights to create vendors files. The lack of adequate control procedures could result in the misuse or misappropriation of assets. The auditors recommend implementing control procedures to separate the bank reconciliation, check writing, check distribution, and creating new vendor file responsibilities. The auditors further recommend that: (1) the Chief Deputy's responsibilities be limited to approving accounts payable and reviewing the distribution check register and state that ideally signed checks should be forwarded directly from the check signers to a third person for distribution; (2) new vendor authorizations be required by someone independent of the disbursement process to create accounts payable vendor files; and (3) someone other than the Chief Deputy reconcile the bank accounts, and, if resources don't allow for that segregation then, as a minimum, a second authorized individual review the reconciliations and examine reconciling items. In addition, the auditors state that ideally the accounts payable/payroll (cash disbursement), check signing, and distribution, and bank reconciling duties should be segregated. (See PDF Page 189)</p>	N/A	2017 (FY 2014-15)	The Property Appraiser's office is following several of the recommendations. Drafted checks are sent directly to the Property Appraiser for review, approval, and signature. The Property Appraiser reviews the bank statement reconciliations and examines reconciling items. The office has limited staff and resources of a small entity and does not have funding to hire additional personnel to segregate all disbursement duties at this time.	No

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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?
Holmes County (continued)	Sheriff	<p><u>2010-01 - Segregation of Duties</u>: The auditors noted a deficiency in the segregation of duties over cash disbursements. The Finance Director's responsibilities include accounts payable, check register review and approval, and preparation of bank account reconciliations. The Finance Director is not an authorized check signer. In addition, the Finance Director has Information Technology (IT) rights to create vendors and general ledger access and authorization. The auditors recommend that control procedures be implemented to separate the accounts payable, bank reconciliation, and check writing responsibilities. The auditors further recommend that: (1) the Finance Director's responsibilities be limited to approving accounts payable and reviewing the distribution check register; (2) once checks are drafted, the checks be forwarded along with supporting documentation directly to the check signers for review, approval and signatures; and (3) a third person forward the signed checks directly from the check signers for distribution. In addition, the auditors recommend that no one have unilateral IT rights to create accounts payable vendor files, generate checks, and reconcile the bank accounts. (See PDF Page 250)</p>	MW	2017 (FY 2014-15)	Due to limited staff and resources this finding may never be fully resolved. The Sheriff's Office has implemented various internal control measures. The Sheriff now reviews, approves, and signs checks, and a third party distributes the checks. Additional details are provided in the response.	No

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FOOTNOTE/LEGEND:

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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.

# MUNICIPALITIES

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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?
Town of Alford	Jackson County	<u>2010-001 - Other Post-Employment Benefits</u> : The Town did not implement GASB Statement No. 75 or obtain the actuarial report necessary to determine the amounts to report in the financial statements related to other post-employment benefits (other than pensions). The auditors recommend that an actuarial study and all other items necessary to implement GASB Statement No. 75 be performed. (See PDF Page 59)	SD	2024 (FY 2021-22)	The Town is a very small rural community with a limited budget and a staff of only three employees. The Town Clerk has reached out to other similar small towns to research who can perform such services and for how much. At this time, the Town's budget for next year may not allow for the Town to purchase these services, but the Town will make every effort to have this actuarial report completed as soon as it is feasible.	Yes
City of Bonifay	Holmes County	<u>2023-002 - Accrual Accounting</u> : Management elected to prepare interim financial statements on the cash basis of accounting. Due to the City's use of the cash basis of accounting, income is generally not recorded until cash is received and expenditures are recorded when paid. This practice can result in revenue and expenditures being misappropriated, omitted, or recorded in an incorrect period. Revenue was not recorded when earned, and expenditures were not recorded when incurred. This could adversely affect City personnel's ability to prepare financial statements in accordance with generally accepted accounting standards with adequate and proper disclosures and free of material misstatements. The auditors recommend that interim and year-end financial statements be prepared using the modified accrual basis of accounting. (See PDF Page 58)	MW	N/A	N/A	Yes
City of Bowling Green	Hardee County	<u>2023-01 - Year End Adjustments</u> : In conjunction with the audit, various audit adjustments were required in order to properly present the financial statements in accordance with generally accepted accounting principles (GAAP). Audit procedures identified various adjustments that were required to be reflected in the City's financial statements. This included adjustments	MW	N/A	N/A	Yes

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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 Bowling Green (continued)	Hardee County (continued)	to correct fund balance/net position; adjust grant activity, including grant receivables, unearned revenue, revenues and expenses; adjust lease activity; long-term debt and related service costs; and adjust year-end accruals. The auditors recommend that the City establish internal controls over financial reporting to ensure that all material accounts are reconciled and adjusted prior to the audit in accordance with GAAP. (See PDF Page 65)				
Town of Bronson	Levy County	<u>2023-2 - Financial Close and Reporting:</u> At the commencement of final audit fieldwork, the preliminary working trial balance did not reflect all the required closing entries. As a result, several material audit adjustments were required after the audit process began. The lack of an effective financial close and reporting process increases the risk that material misstatements will not be detected in a timely manner, and also results in delays in performing and completing the audit. The auditors recommend that the Town evaluate its monthly and annual financial close and reporting process and make necessary changes to reduce the risk of inaccurate financial information during the year and at fiscal year-end. (See PDF Page 36)	MW	N/A	N/A	Yes
Town of Century	Escambia County	<u>2022-001 - Cash Management:</u> The Town experienced the following cash management issues during the fiscal year: (1) inadequate funds held for customer deposits in the Natural Gas Fund, and (2) inadequate funds held for required debt service reserves in the Natural Gas Fund. In addition, the Town has experienced turnover within the leadership of the Town over the past few years, which has caused a loss of consistency with	MW	2023 (FY 2020-21)	The Town will open a new account for the purpose of setting aside gas deposits. All future deposits will be deposited in this account, and all refunds will be taken from this account. Additionally, the Town will examine each gas account's deposit amount and transfer it into the new gas deposits account.  The Gas Fund owes the Special Revenue Fund \$212,000. The Town will arrange a payment schedule for repayment	Yes

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Town of Century (continued)	Escambia County (continued)	financial processes and management. Further, the Town has experienced reoccurring operating deficits in the Natural Gas Fund causing cash shortages. The auditors recommend that the Town Council reevaluate operations of the Natural Gas Fund to ensure adequate cash is maintained to meet all requirements of operations of the fund and debt service requirements. (See PDF Page 48)			of this debt. The reserve required for debt service will be established. Relating to the turnover in leadership, the Mayor and the Town Council have budgeted for a Town Manager in the current budget year, who will take the lead on the matters for the Gas Department. The Town's CPA will collaborate with the Town Manager to create consistencies with the financial processes and management. During FY 2022-23, the Town performed an audit of the billing codes for natural gas and discovered errors which were corrected and resulted in additional revenue in the Gas Department. At the direction of the Town Council, the future Town Manager will schedule and perform a reevaluation of operations to ensure adequate cash is maintained to meet all requirements of operations of the Gas Fund and debt service requirements.	
		<u>2022-002 - Reconciliation of Accounts:</u> The Town did not properly reconcile multiple general ledger accounts as of fiscal year-end. As a result, significant audit adjustments were required to adjust for the actual audited amounts for certain grant revenue, interfund activity, and capital asset activity and allow for proper balancing of current year activity in the accounts. The auditors recommend that all general ledger accounts be reconciled monthly to detail subsidiary ledgers, and any reconciling items be promptly investigated and adjusted, and adequate supporting documentation for the adjustments be maintained. (See PDF Page 49)	MW	2023 (FY 2020- 21)	Each bank account is now being reconciled monthly, as well as control accounts with subsidiary ledgers.	Yes

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Town of Century (continued)	Escambia County (continued)	<p><u>2022-003 - Capital Asset Tracking:</u> The auditors' review of the Town's capital asset accounts indicates that there are assets that had not been correctly recorded in the Town's records. In addition, the Town had not completed an inventory of assets on hand due to turnover in staffing. The auditors recommend that Town management review procedures surrounding capital asset identification and tracking to ensure the capitalization threshold is properly and consistently applied and ensure assets are consistently tagged for inventory and added to the Town's capital asset record listing. (See PDF Page 49)</p>	SD	2023 (FY 2020-21)	The Town's CPA in conjunction with the new Town Manager will create an asset management plan, and staff can implement the plan. The Town currently manages the assets with a listing of assets and also a tagging of assets for newly acquired assets.	Yes
		<p><u>2022-004 - Financial Condition:</u> In the prior fiscal year, the auditors noted that the Town's overall financial condition demonstrated signs of a deteriorating financial condition described in Section 218.39(5), Florida Statutes. As noted in findings reported in the Fiscal Year 2017 through 2021 audits, the Town had experienced several cash flow and management issues resulting in the inability to maintain proper restricted cash required as noted in Finding #2022-001. Additionally, as of the fiscal year ended September 30, 2022, the General Fund and the Natural Gas Fund owed the Special Revenue Fund approximately \$2.8 million and \$212,000, respectively. The auditors stated that the local option sales tax revenues recorded in the Special Revenue Fund are restricted for specific purposes; therefore, these funds will have to be repaid or it will be considered an inappropriate use of the restricted revenues. In June 2018, the Town Council approved a repayment plan of \$300 per month for the interfund loan between the General Fund and Special Revenue Fund. In addition, the auditors stated that the</p>	N/A	2023 (FY 2020-21)	The Town's budget for FY 2023-24 shows reserves in every fund. The \$2.8 million owed by the General Fund to the Special Revenue Fund was spent for qualified expenditures during that time period, thus qualifying as appropriate Special Revenue expenditures. Corrective measures are scheduled for Town Council review during the 12/12/2023 Council meeting. In addition, both the Gas Department and the Water/ Wastewater Department have undergone a rate study. Currently, the Town anticipates an increase in charges during FY 2023-24. In the past, the Town had experienced deteriorating financial conditions, but steps have been taken to resolve this such as the rate studies for each of these funds. The Town intends to make an operating transfer from the Special Revenue Fund to the General Fund to eliminate the debt created a decade ago for expenditures that qualified for the use of the Local Option Sales Tax money in the Special Revenue Fund. This is clearly a book entry within the Town that will be addressed during the December Town Council meeting.	Yes

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Town of Century (continued)	Escambia County (continued)	<p>Town should evaluate costs incurred in prior years for possible reclassification, if such costs met the nature allowed for infrastructure improvements. The General Fund and the Natural Gas Fund had deficit net positions at September 30, 2022, and operating losses were reported by the Natural Gas and Water and Sewer funds for the year. Overall factors contributing to this condition included lack of short- and long-term financial planning, improper cash management activities, and lack of analysis of existing tax rates and fee structures for proprietary operations. The auditors recommended that the Town develop long- and short-term financial plans to improve its financial condition. Additional details relating to the financial plans are provided in the audit report. The auditors further recommended that the Town analyze existing rate structures for proprietary operations to determine sufficiency in covering expenses, explore all available options to increase revenues or decrease expenditures, and, in an effort to improve the financial stability of the Natural Gas Fund, actively monitor natural gas usage against the purchased gas to evaluate areas of weakness in system. <u>Current year status:</u> The auditors state that the finding has been partially implemented. [Committee staff note: Review of the financial statements indicate that the General Fund and the Natural Gas Fund have deficit net positions at September 30, 2023, and an operating loss was reported by the Natural Gas fund for the fiscal year.] (See PDF Page 50)</p>				

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City of Cocoa Beach	Brevard County	<u>2023-004 - Revenue Recognition</u> : The City did not report revenue and receivables consistent with generally accepted accounting principles and the City's revenue recognition criteria, resulting in an understatement of receivables in the General Fund by \$290,235 - \$162,080 for utility taxes, and \$128,155 for amounts due from the state. Receivables were also understated in the Police Pension Fund by \$136,017. The auditors recommend that the City's year-end close procedures contain a review of receivables to include reconciliation of receivables to amounts as reported on third-party payment reports and a review of receipts collected after year-end to ensure proper cut-off for revenue recognition. (See PDF Page 166)	SD	N/A	N/A	Yes
		<u>2023-006 - Review of Charges For Services</u> : The City did not conduct reviews or maintain support for review of charges for services entered into various systems by its employees (charges for services related to: parking, golf course/restaurant services, development services, and recreational services). The auditors recommend that the City document its review of charges for services entered in the system and extend this control to all revenue streams where users are charged a fee based on a set rate, including rates entered in the City's internal systems. (See PDF Page 170)	N/A	N/A	N/A	Yes

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City of Daytona Beach	Volusia County	<u>2023-005 - Unexpended Balance – Building Permits:</u> The City's unexpended building permit funds at fiscal year-end exceeded the City's average operating budget for enforcing the Florida Building Code for the previous four fiscal years by \$11,478,318. Prior to 7/1/2019, there was no provision in the Florida Statutes limiting the amount of carryforward of unexpended building permit funds. In prior fiscal years, the annual revenue derived from building permit fees exceeded anticipated amounts. The auditors recommend the City complete the action items presented to the Joint Legislative Auditing Committee (spending plan) to reduce the unexpended building code balances in order to comply with Section 553.80(7), Florida Statutes. (See PDF Page 229)	N/A	2024 (FY 2021-22)	The City has "boomed" and continues to boom with new construction. The City, but particularly the western limits of the City that encapsulate the intersection of I-95 and I-4, have grown more than at any other time in the City's history. The geographic coincidence of two major highways respectively serving south and southwest Florida together with the COVID/post-COVID population increase of Florida has led to the unprecedented growth of development in the City. New development growth results in increased associated revenue and expenses accumulated or expended by the City to properly serve and regulate the new development. New growth in the City has created a need to expand the City's Permits and Licensing office (P&L) to employ additional people training the staff, acquire additional workspace, and acquire and install associated equipment to be deployed in performance of the work. Meeting the increased need imposed by development growth is addressed in a P&L Spending Plan (Plan). Dedicated budget accounts have been implemented to foster the needed P&L expansion of workspace, training of staff, and acquisition of equipment associated therewith to conduct P&L "allowable activities" as defined by the Florida Statutes. The updated Plan with completed and/or projected completion dates, the majority to be completed on or before September 2024, will lead to budget amendments directing expenditure in the sum of \$11,015,000 (details of the Plan are included in the response letter). The planned expenditures will reduce the City's unexpended balance as required by law.	Yes
City of Delray Beach	Palm Beach County	<u>SD 2021-001 - Internal Controls Over Payroll Process:</u> The payroll software ERP system, as currently configured for payroll, is lacking the adequate audit trail and automation of many sub-processes within	SD	2024 (FY 2021-22)	On August 16, 2022, the City Commission approved an agreement with a third-party vendor for time and attendance solutions and services for effective workforce management. The City has created a core project team	Yes

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City of Delray Beach (continued)	Palm Beach County (continued)	<p>payroll are manual processes which increases the possibility of errors. The City utilizes a manual (Excel) timesheet for some employees which require manual input by the various City departments. There was also a lack of formal policies and procedures manuals for payroll processing. The auditors recommend that City management review the current payroll processes and consider actions to ensure that employee timesheets are complete, accurate and timely when submitted to Finance for processing. The auditors encourage the City to implement a time and attendance system to eliminate the manual timesheets currently in place. In addition, the auditors recommend that the City consider implementing the same timesheet template for all employees to facilitate the processing of payroll.</p> <p><u>Current year status:</u> The auditors state that, on August 16, 2022, the City Commission approved an agreement with a third-party vendor for time and attendance solutions and services for effective workforce management. Implementation of the time and attendance software will allow the City to eliminate the manual timesheets that are currently in place. Furthermore, the City also intends to integrate Telestaff with the time and attendance software system which will eliminate the manual entry of payroll data for the Police and Fire departments. The City went live in Dimensions UKG with the implementation of Phase 1 (administrative and non-shift personnel) in January 2024 and Phase 2 (employees utilizing time clocks) in February 2024. The City is in the process of implementing Phase 3 (Public Works, Utilities, Development Services) which is currently in the testing stage and expected to go live on May 18, 2024. The</p>			<p>consisting of selected department directors and other subject matter experts to offer input for this very important project. City staff has been working diligently to implement the Dimensions online time and attendance software, which is designed to simplify the collection and accounting of employees' actual time worked and time taken for leave. The new online time and attendance software will allow employees and supervisors the capability to enter and take action on employee time worked and leave time requested. The projected go-live date for Phase 1, which consists primarily of administrative non-shift personnel of seven departments, is scheduled for January 27, 2024. All employees in Phase 1 will be responsible for reporting time worked and leave taken electronically in Dimensions. Phase 2, which consists primarily of employees utilizing time clocks, will begin in February 2024. It is the City's hope to fully integrate this phase with the City's enterprise resource planning system very soon. With implementation of the new time and attendance system, the City will not only have improved its efficiency in operations, but will also have greatly strengthened its internal controls over payroll processing.</p>	

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City of Delray Beach (continued)	Palm Beach County (continued)	final phase (Phase 4 - Police and Fire departments) is currently testing and tentatively schedule to go live in June 2024. (See PDF Pages 219-220)				
City of Eustis	Lake County	<u>2023-1 - Information Technology General Controls:</u> During the review of the City's use of information technology (IT) in the financial reporting process, the auditors noted opportunities to improve and strengthen the control environment and the quality and integrity of information generated by the IT systems. The auditors recommend that the City improve IT general controls in the following areas: penetration testing and policies and procedures. Detailed recommendations were provided to City management. (See PDF Page 202)	N/A	N/A	N/A	Yes
City of Flagler Beach	Flagler County, Volusia County	<u>2023-002 - Deficit Unrestricted Net Position:</u> The City's Pier Fund has a Deficit Unrestricted Net Position of \$243,755 which was created by recurring losses in the Pier Fund. On the Statement of Net Position, the Pier Fund has recorded an advance from the General Fund of \$688,043 to subsidize the recurring losses. The auditors recommend that the City explore options for the Pier Fund to either pay back the General Fund, or consider transferring the balance from the General Fund to the Pier Fund and rectify the Deficit Unrestricted Net Position. (See PDF Page 75)	N/A	2024 (FY 2021-22)	To remedy the audit finding, the City will establish a resolution and transfer the fund balance from the General Fund to the Pier Fund by means of budget amendment during the 2023-24 fiscal year.	Yes
City of Fort Meade	Polk County	<u>2023-05 - Excess Expenditures Over Budget Appropriations:</u> Budget monitoring and timely amendment is necessary to ensure that entities operate within the financial resources available to them. Additionally, Section 166.241(2), Florida Statutes, requires that a municipality's budget regulate its expenditures, prohibiting any expenditures or contract	N/A	N/A	N/A	Yes

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City of Fort Meade (continued)	Polk County (continued)	that are not in accordance with the adopted budget. During the audit, the auditors noted that the City expended amounts beyond its budget appropriations within the Legislative, Other General Government, Police, and Inspections Departments within the General Fund in the amounts of \$1,367, \$22,353, \$8,711, and \$1,783, respectively. (See PDF Page 112)				
Village of Golf	Palm Beach County	<u>2021-01 - Budget:</u> The Village is not in compliance with its procedures as it relates to amendments to the budget. Additionally, the Village is not keeping proper track of expenditures, fiscal planning, and lack a strategy by not following an appropriately adopted and amended budget process. Actual expenditures exceeded appropriations in the general fund for the current fiscal year. The auditors recommend that the Village implement procedures associated with amendments to the budget to ensure compliance with the Village's procedures. (See PDF Page 78)	N/A	N/A	N/A	Yes
Town of Greensboro	Gadsden County	<u>2023-002 - Accounting Records Not Maintained in Accordance with U.S. GAAP:</u> A key element of financial reporting is the ability of management to select and apply the appropriate accounting principles to prepare the accounting records in accordance with generally accepted accounting principles (GAAP). The auditors noted that material adjusting entries to various accounts were needed. The auditors recommend that management and accounting staff obtain additional training in governmental fund accounting and reconcile accounts on a monthly basis to the underlying transaction records maintained outside of the accounting software. (See PDF Page 47)	MW	2024 (FY 2021-22)	Since the issuance of the FY 2021-22 audit report, the Town has engaged a new audit firm which has begun audit fieldwork, but has not issued a report yet. The Town had a long conversation with the new audit firm, and they have agreed to help with additional accounting training with the Town's new head of accounting. The Town is optimistic that with the additional training and the new audit firm keeping Town staff more involved in the audit process, the Town will resolve the audit finding. If the Town is not able to obtain the necessary in-house expertise, the Town will look at the possibility of having an outside CPA provide the Town with monthly or quarterly reviews of its books.	Yes

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City of Hampton	Bradford County	<u>2023-001 - Recording of American Rescue Plan Act (ARPA) Grant</u> : The auditors noted the City recorded the prior year audit adjusting entry incorrectly which affected the fund balance of the General Fund. This required a material audit adjustment, including fund balance and revenues, in order to be in compliance with generally accepted accounting principles. The auditors recommend that the City verify that new general ledger accounts are correctly added and that the fund balance agrees to the prior year audited financial statements. (See PDF Page 31)	MW	N/A	N/A	Yes
City of Hialeah	Miami-Dade County	<u>SD2015-02 - Water and Sewer Utility Fund, Solid Waste Utility Fund, and Stormwater Utility Fund Unrestricted Net Position</u> : The Water and Sewer Utility Fund and the Solid Waste Utility Fund reported negative unrestricted net position amounts of \$26,033,529, and \$33,182,242, respectively, at fiscal year-end. However, the Stormwater Utility Fund reported a positive unrestricted net position of \$1,054,897 at fiscal year-end. The deficits are a result of historical operating losses as well as continued investment in capital assets. The auditors recommend that the City review its current rates for Water and Sewer utility and Solid Waste utility, to ensure the fees cover the costs of operations and reduce the deficit unrestricted net position while maintaining the quality of service. In addition, the auditors recommend that the department develop a deficit elimination plan that is reviewed and approved by those charged with governance. (See PDF Page 207)	SD	2024 (FY 2021- 22)	The City is working diligently on the corrective action plan and maintaining the highest standards in operations. The Water and Sewer Utility, like many other governmental agencies, was identified as having a deficit in its unrestricted net position subsequent to a major change in accounting methodology. The Utility has taken the following actions to reduce operating costs that should over time reduce the deficit unrestricted net position: (1) The majority of the City's American Rescue Plan Act (ARPA) funds have been allocated towards much needed utility infrastructure improvements to offset some of its operating capital costs; (2) The Utility will annually analyze its Water and Sewer Rate structure and recommend rate increases to offset operating cost increases; (3) Recent financing of the Reverse Osmosis Water Plant bonds will continue to save the Utility approximately \$600,000 a year in debt-service costs over the next 20 years; and (4) The Water and Sewer Fund will continue to optimize and accelerate its sewer lining program over the next three calendar years, which will enable the Utility to line areas of the system most in need of rehabilitation. Investment in	Yes

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City of Hialeah (continued)	Miami-Dade County (continued)				<p>this program will reduce the Sanitary Sewer service fee paid to the County in the coming years.</p> <p>The Solid Waste Division plans to continue taking the following actions in order to reduce operating costs and the related deficit unrestricted net position: (1) During the last fiscal year, the Solid Waste Utility Fund extended its existing solid waste collection and disposal contracts on favorable terms for up to ten years; the associated cost stability over the term of these agreements will help the City continue to operate the fund at a surplus and continue to reduce the negative net position; (2) Solid Waste will pay off the remainder of the \$19,000,000 loan to the Water and Sewer department during this fiscal year, (current balance \$2.7M), which will reduce the associated interest expense and continue to improve the unrestricted net position going forward; and (3) A projected credit to Other Post-Employment Benefits during FY 2023 is also expected to reduce the unrestricted net position.</p>	
City of Jacksonville	Duval County	<p><u>2023-001 - Accounting System Implementation:</u> The auditors found that financial records for many classes of transactions and account balances were not accurately completed on a timely basis. Financial reports were not in place to extract the financial information required and the financial information provided to the auditors required material correcting entries to be made in the following areas: (1) cash in escrow and with fiscal agents; (2) accounts receivable and due from independent agencies and other governments; (3) revenues; (4) capital assets; (5) accounts payable and accrued liabilities; and (6) beginning fund balance. The new accounting system was not designed and implemented effectively such</p>	MW	2024 (FY 2021- 22)	<p>The City does not expect this finding to be repeated for FY 2022-23. The City has made and continues to make extensive improvements to its ability to maintain up-to-date and accurate financial records since the simultaneous impacts in March 2020 of the ERP system conversion and the COVID-19 pandemic shut down. The City is proud of the progress it has made in replacing a system that was multiple decades old, especially since it is not unusual for large organizations to struggle for years with major systems conversions even without a nationwide health crisis. This year, for the first time since going live with the new system, the City is on target to submit both its ACFR and Single Audit for FY 2022-23 by the June 30, 2024, statutory deadline. The City maintained its monthly and</p>	Yes

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City of Jacksonville (continued)	Duval County (continued)	that it was not functioning sufficiently to maintain up-to-date and accurate financial records for most classes of transactions and account balances. The auditors recommend that the City continue to enhance the understanding and user abilities of the accounting system through further training and consultation with software providers. The auditors also recommend that the City ensure sub-ledgers reconcile accurately to the general ledger and the fiscal year-end cutoff procedures are fully implemented and documented. (See PDF Page 225)			annual close processes on time throughout the fiscal year and implemented and documented new processes to yield proper and timely fiscal year-end cutoff procedures and reconciled sub-ledgers accurately to the general ledger. Most classes of transactions and account balances were completed on a timely basis as the City adhered to the auditors' requested deadline of submitting the City's trial balances to them by January 31, 2024. Additional details are included in the response letter. The City had a change in leadership in 2023 which brought increased energy and focus to resolving the system implementation challenges including engaging directly with the highest levels of Oracle leadership. This change in Administration brought three additional CPAs to the Finance and Administration Department in the key positions of CFO, Chief of IT, and Treasurer.	
Town of Jay	Santa Rosa County	<u>2023-2 - Financial Condition:</u> The Water Fund, the Sewer Fund, and the Natural Gas Fund are not generating operating income. At fiscal year-end, the Water Fund, the Sewer Fund, and the Natural Gas Fund, excluding reallocations of pension expense, were all at operating loss positions. If operating losses remain consistent, in the next fiscal year, the Water Fund, the Sewer Fund, and the Natural Gas Fund will have a deficit in unrestricted fund balance. The auditors recommend that the Town develop long- and short-term financial plans to improve the financial condition of the Water Fund, the Sewer Fund, and the Natural Gas Fund, and state that the financial plans should include: (1) a review of the budget including depreciation and capital needs; (2) a system for monitoring revenues and expenditures; (3) budget reserves to provide for future capital needs and	SD	2024 (FY 2021-22)	Each of the last few years the Town has improved the financial condition. The Town has increased its sewer revenues by almost 25 percent. The gas fund revenues are dependent on the farming community; with a reduced agricultural crop yield in FY 2021-22, there was a resulting decrease in natural gas usage. The Town worked hard in FY 2022-23 on reducing expenditures. All purchases need Town Manager approval and larger expenditures require Town Council approval. With these restrictions in place, the Town expects to see a larger split between revenues and expenses.	Yes

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Town of Jay (continued)	Santa Rosa County (continued)	unexpected costs; and (4) projected revenues sufficient to cover projected costs. The auditors also recommend that the Town analyze existing rate structures to determine their sufficiency in covering expenses and explore all available options to increase its revenues or decrease expenditures. (See PDF Page 53)				
		<u>2023-1 - Material Adjustments</u> : Material adjustments were needed to properly record cash, prepaid, fixed assets, accounts payable, debt, pension, grant revenue, depreciation, and payroll. Significant adjustments were needed in other accounts to properly reflect significant financial statement line items. The auditors recommend that prior audit adjustments be reviewed and discussed to reduce the adjustments made by auditors. (See PDF Page 52)	MW	2024 (FY 2021-22)	The Town continues to improve through training and increased awareness of financial processes. The Town has three employees who independently work on the cash receipting, claim processing, and payroll processes. The Town conducted cross training in 2022. Additionally, the Town dismissed its outside contractor and increased scrutiny of the monthly bank reconciliation process. By internalizing that process, staff was able to adjust their internal processes to help with overall reconciliation. While complex leasing and capitalization of assets are still identified as shortfalls, staff has reduced the number of audit adjustments required. During the current FY 2022-23 audit, the Town has been told that its processes have greatly improved, and the auditors do not expect to have a Material Adjustment finding in this year's audit report.	Yes
City of Keystone Heights	Clay County	<u>2023-001 - Updating the Accounts Receivable at Year End</u> : The determination of the unadjusted balance by customer of the accounts receivable was not accurate. The audit testing disclosed a customer whose balance was not reflected properly after the City's accountant made the final adjustments to the receivables at year end. As a result, the accounts receivable balance was understated by \$39,123. The auditors recommend that the City establish controls to ensure the detail by customer of the accounts receivable is properly maintained at year end. (See PDF Page 47)	MW	N/A	N/A	Yes

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City of Lynn Haven	Bay County	<u>2023-001 - Reconciliation of Account Balances and Audit Adjustments:</u> Certain adjustments were required to be made to the accounting records subsequent to the start of the audit process related to year-end accrual entries. The auditors noted this to be largely due to the ongoing nature of hurricane recovery activity and related items, both in terms of extensiveness and complexity, as well as the turnover of key accounting personnel during the year. The auditors recommend that management select and apply the appropriate accounting principles to prepare the financial statements in accordance with generally accepted accounting principles. (See PDF Page 74)	MW	2024 (FY 2021-22)	The City agrees that account balances must be reconciled on a timely basis. Last year, a comprehensive Finance Department Policy and Procedures Manual was written and approved by the City Commission, and an additional financial software module was purchased to help with capital assets reporting. The implementation transition presented some challenges such as bar coding and physical observation. The Director of Finance retired in December 2023, and the new Director of Finance has the City's focus on additional training on the best practices for optimizing financial reporting. The Finance team continues to work through the complex accounting matters as a result of Category 5 Hurricane Michael which either destroyed or severely damaged most of the City's assets. City staff will continue to work with the audit team to further develop procedures to stay in compliance with generally accepted accounting principles.	Yes
City of Macclenny	Baker County	<u>2023-001 - Separation of Duties:</u> Because of a limited number of 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 all phases of a transaction. Consequently, the possibility exists that unintentional or intentional errors or irregularities could exist and not be detected. The auditors recommend that, to the extent possible given available personnel, steps be taken to segregate employee duties so no one individual has access to both physical assets and the related accounting records, or all phases of a transaction. (See PDF Page 67)	MW	N/A	N/A	Yes

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City of Maitland	Orange County	<p><u>2023-002 - Information Technology General Controls:</u> The City has not performed a documented risk assessment over its use of information technology to prioritize evaluation of information technology risks such as: (1) Ensuring user access privileges are limited to those necessary for the users' job responsibilities and enforce an appropriate logical segregation of duties; and (2) Establishment of an information technology disaster recovery plan for the restoration of the City's information technology resources, nor periodic testing plan to ensure the backed-up data is useable. The City may not have or may not design controls appropriately to mitigate the risks they deem unacceptable. As a result, the City may experience issues related to the availability or accessibility of various applications or IT resources. The auditors recommend that the City perform a risk assessment over information technology and adopt an information technology framework to use as a gauge in the design and performance of related internal controls. The auditors also recommend that, in concert with the information technology risk assessment procedures, the City determine a frequency for periodic evaluation of all user access privileges, including that of third-party contractors, and promptly remove unnecessary access, as well as establish a restore point objective and a recovery time objective and develop controls to guide the City in its development of a disaster recovery plan. (See PDF Page 143)</p>	N/A	2024 (FY 2021-22)	The City is still in the process of addressing the audit comment. The City issued Purchase Orders in 2023; however, due to supply chain issues, not all of the order arrived during the 2022-23 fiscal year to be fully implemented. The City is currently working with IT consultants to install, configure, and document the system processes and procedures.	Yes

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Town of Malabar	Brevard County	<p><u>2023-001 - Reconciliation of Account Balances and Accruals</u>: Various audit adjustments were required for payables, receivables, and unearned revenues that were not properly recorded. Proper cutoff is critical for the accuracy of the accrual basis of accounting. The auditors noted various account balances (receivables, investments, payables, unearned revenues, fund balance, revenues, and expenses) that required adjustment in order to be presented in accordance with generally accepted accounting principles (GAAP). The auditors recommend that the Town review transactions monthly to ensure completeness and accuracy, as well as significant account balances at year-end to ensure proper accrual-based reconciliations. The auditors also recommend that the Town implement accounting policies and procedures that ensure proper cutoff of expenses. (See PDF Page 36)</p>	MW	2024 (FY 2021-22)	<p>The Town made efforts last year to reconcile accounts monthly and provide the Town Council and the public with an unaudited monthly financial report. This procedure assists the Town and Town Council to continuously achieve a status of financial reconciliations for various adjustments. The Town has invested in a replacement financial system that caters to a government entity to include a budgeting module. The function of the budgeting module also lends a year-end closeout process to the financial software package, thus creating a task to ensure a timely year-end process and final budget amendment reconciling the accounts to the best of the Town's ability. An annual third-party audit commences in last October and traverses through April of the following year, whereas the auditing firm provides a report of any process improvements, corrections per an audit adjustment and presentation to Town Council and the public. During the auditing period, the Town had experienced turnover in key personnel positions whereas the Town Manager resigned in October 2023 and the former Treasurer retired in October 2022. The treasurer role was filled temporarily until a permanent appointment in January 2024. As of March 2024, the current annual audit has not been completed to validate the process of changes. Therefore, the Town is not able to confirm the status of these changes for the FY 2022-23 fiscal year under the third-party auditor review.</p>	Yes

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Town of Oakland	Orange County	<p><u>10-05 - Internal Control over Financial Reporting:</u> During the current fiscal year audit, the auditors continued to find many financial statement misstatements, some that were considered material. The total of all journal entries proposed by the auditors because of identified misstatements was approximately \$800,000. Many of the proposed adjustments corrected assets, liabilities, and deferred inflows of resources but also had a net effect of increasing the change in fund balance of the General Fund by approximately \$66,000, decreasing the change in fund balance of the Impact Fee Special Revenue Fund by approximately \$20,000, and increasing the change in net position of the Enterprise Fund by approximately \$89,000. The auditors proposed correcting entries for the material misstatements identified, which were accepted and posted by the Town's management. The auditors recognize the Town has engaged an experienced and qualified consultant to assist in developing internal controls over financial reporting and to provide oversight of the year-end closing and financial statement preparation process, but internal controls require timely detection or prevention of financial errors. As a result, the auditors continue to recommend that Town management strengthen internal controls over financial reporting during the fiscal year and not rely on a year-end closing period to detect and correct errors that took place during the year. (See PDF Page 68)</p>	MW	2024 (FY 2021- 22)	The Town acknowledged the need to improve internal controls over financial reporting and has gradually increased staff during FY 2022-23. Management continues to resolve issues by working with the consultant and has developed internal controls over financial reporting that Town staff believe have been fully resolved. Budget monitoring has been implemented, as well as cross training and separation of duties. The audit finding is not expected in the FY 2022-23 audit report which the Town is currently working on. Management intends to continue to work with the consultant for oversight and financial preparation processes.	Yes

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Town of Otter Creek	Levy County	<u>2021-1 - Bank Statement Reconciliations:</u> From the audit of cash and bank statement reconciliations, the auditors found that the reconciliations generally were not performed in support of book balances, outstanding checks, or deposits in transit. This resulted in bank and book balances not being properly reconciled, as well as a complete audit trail for cash receipts being deposited and checks disbursed. The auditors recommend that all bank statements be reconciled monthly and agree to general ledger balances, and outstanding items also be reconciled in detail. (See PDF Page 43)	N/A	N/A	N/A	Yes
City of Polk City	Polk County	<u>2021-01 - Bank Reconciliations:</u> The City's bank account activities were not being reconciled to the general ledger balances in a timely manner. Furthermore, the existing bank reconciliation process is not able to identify the sources of the difference between the general ledger and the bank statements. The bank reconciliation procedures are not adequately designed or are not operating effectively. Management believes a software issue is creating errors in some accounting information system reports used for the bank reconciliation, but based upon the audit procedures, no errors were detected in the general ledger reports the auditors used. The auditors continue to recommend that the City take measures to ensure bank activity is reconciled to the general ledger within 30 days after receipt of the monthly bank statements. (See PDF Page 68)	MW	N/A	N/A	Yes

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Town of Pomona Park	Putnam County	<p><u>2023-002 - Preparation of Financial Statements:</u> A system of internal control over financial reporting should allow the Town to prepare financial statements, including note disclosures, in accordance with generally accepted accounting principles (GAAP). A control deficiency exists in instances where the Town is not positioned to draft financial statements and all required disclosures. Outsourcing of these services is not unusual in governmental entities of similar budget and personnel size. The auditors recommend that management take an active role in the drafting of the financial statements and related disclosures. (See PDF Page 32)</p>	SD	N/A	N/A	Yes
		<p><u>2023-001 - Reconciliation of Account Balances:</u> The auditors proposed, and management agreed to a number of account balances that required adjustments, including revenues, expenditures/expenses, payables, receivables, and beginning equity, in order to be in compliance with generally accepted accounting principles. The auditors recommend that the Town review significant transactions monthly to ensure completeness and accuracy, as well as all account balances at year-end, to ensure proper cutoff and accrual-based reconciliations agree to the general ledger. (See PDF Page 31)</p>	MW	N/A	N/A	Yes

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City of Springfield	Bay County	<u>2023-003 - Bank Reconciliations</u> : The pooled cash general ledger bank account balance did not agree with related monthly and year-end reconciliations. Management is not actively reviewing the monthly bank account reconciliations for accuracy, and City staff has been unable to determine the source of the unreconciled differences on the bank statement over the past several years. The auditors state that part of the issue appears to be related to the complexities associated with the multiple credit card systems the City has available and the City's inconsistency in preparation of a cash receipts log meant to assist them in the reconciliation. The auditors recommend that the City establish procedures to ensure that all bank reconciliations are prepared timely and that they agree with the general ledger. In addition, the auditors recommend that the bank reconciliations be reviewed by a member of management or governance who is independent of the bank reconciliation process, and all reconciliations be signed or initialed and dated by the preparer and reviewer so that timing and responsibility can be easily determined. (See PDF Page 89)	MW	2023 (FY 2020-21)	City staff are doing the reconciliations in a timely manner monthly. City staff does complete daily a similar report which monitors all bank activity including deposits, transfers, cleared checks, and EFT transactions. The City's software has a good reconciliation report available, and from that report City staff will be able to quickly complete monthly reconciliations of the bank accounts. While this does not immediately cure the problem, City staff closely monitors transactions daily and do have a solution in the works.	Yes
		<u>2023-001 - Audit Adjusting Entries</u> : Significant adjustments to the financial records were required in order to correct the financial statements. The City has a limited number of staff and is not able to produce financial records that would require no adjusting journal entries. The auditors recommend that the accounting staff continue to strive toward minimizing the proposed audit adjustments that are required. (See PDF Page 88)	MW	2023 (FY 2020-21)	The City is continuing to minimize the audit adjusting entries. While the City does not believe it will ever reach a point where there will be no adjustments necessary due to the costs involved, it is the intent within the next audit year (FY 2021-22) to have a significantly reduced number of adjustments to its financials.	Yes

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City of Springfield (continued)	Bay County (continued)	<u>2023-004 - Account Balances with Subsidiary Ledgers:</u> Accounts receivable, customer deposits, and accounts payable accounts were not reconciled to the subsidiary ledgers at year-end on a regular basis throughout the year. All three groups of accounts did not agree with subsidiary ledgers to varying degrees at year-end and were not reviewed on a periodic basis during the year to investigate differences. The auditors state that there appears to be a lack of knowledge on how the accounting software processes activity and how journal entries are posted, or certain reports populate based on the accounting activity. The auditors recommend that: (1) the City implement procedures to ensure that City finance personnel obtain the necessary training and knowledge to ensure that account balances are accurate and agree with supporting documentation; (2) all accounts be reviewed on a regular basis and adjusted as necessary for accuracy; (3) City finance personnel have training on how the software posts transactions to the general ledger to verify the transactions are posting properly and how certain reports populate to verify accuracy of subsidiary ledgers as well; (4) the payroll clerk review payroll-related balances on a monthly basis to verify balances are appropriate and no adjustments are necessary between actual activity (e.g., insurance bills, payroll tax payments, retirement payments, etc.) and expectations based on automated entries by the system; and (5) a monthly review by an appropriate level of management be performed and documented to assure that reconciliations are accurately and timely prepared. (See PDF Page 89)	MW	2023 (FY 2021- 22)	<p>City staff are continuing to closely review the general ledger pre-posting reports so that they can make the necessary corrections at that time rather than at year end, requiring a massive amount of journal entries. Training is ongoing for accounts payable and accounts receivable clerks to get familiar with all aspects of the General Ledger. The payroll clerk is new and learning and is reviewing each payroll to make sure that it is in balance with no adjustments. City staff have started a monthly review of all accounts.</p> <p>The recommendation from the audit firm is to complete this reconciliation monthly, which City staff is trying to do; however, with limited staff, it presents a time constraint which doesn't always allow for this monthly reconciliation. Other staff members review the reports to verify what has been done. Monthly reports are run for the accounts payable, and they are kept for the year, as recommended by the auditors. These reports are reviewed monthly by another person in finance. Customer deposits are being looked at closely by the billing clerk and her supervisor, and they are working on a solution to solve the discrepancy in the deposits.</p>	Yes

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City of Springfield (continued)	Bay County (continued)	<p><u>2023-005 - Month-end Closing</u>: The City has started to setup a month-end closing process to review balances and provide monthly financial statements to governance and management but has not been able to implement those processes and procedures. Without month-end financial statements, errors and fraud can go uncorrected and become increasingly difficult to locate and correct over time. The auditors recommend that the City create and implement a month-end closing process, which includes review of month-end balances and the preparation of appropriate monthly financial statements. (See PDF Page 90)</p>	MW	2023 (FY 2020-21)	The City is continuing to focus on drawing up a month-end closing process, which also helps eliminate some of the issues in previously noted findings.	Yes
		<p><u>2023-007 - Collection and Write-off Policies and Procedures</u>: Generally accepted accounting principles (GAAP) require that accounts receivable be reported at fair value, which is net of a reasonable estimate of the allowance for doubtful accounts. The City does not have written policies and procedures related to sending outstanding accounts receivable to collections and writing off outstanding uncollectible balances. The auditors state that the City is in the process of improving its accounts receivable records and the City has not always had the necessary staff available to keep up with reporting accounts to collections or for preparing written policies and procedures. The auditors recommend that the City prepare written policies and procedures for staff to follow in the timing of sending accounts to collections and writing off accounts so that all accounts are treated consistently, and accounts receivable can be reported net of uncollectible amounts as required by GAAP. (See PDF Page 92)</p>	SD	N/A	N/A	Yes

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City of St. Augustine Beach	St. Johns County	<u>2023-001 - Reconciliation of General Ledger Account Balances:</u> The auditors noted multiple general ledger balances including unearned revenue, revenue, receivables, capital assets and expenses that required audit adjustments to be in compliance with generally accepted accounting principles. There would have been material misstatements of the various account balances at year-end if the audit adjustments had not been proposed. All balances should be reconciled to supporting documentation and reconciled with the general ledger. The auditors recommend that the City review significant transactions monthly to ensure completeness and accuracy, as well as all account balances at year-end to ensure proper cutoff and accrual-based reconciliations agree to the general ledger. (See PDF Page 44)	MW	N/A	N/A	Yes
City of St. Cloud	Osceola County	<u>2023-1 - Notice of Event of Default:</u> The Stevens Plantation Improvement Project Dependent Special District (the District) was formed in 2003 and is presented as a blended component unit of the City. In May 2013, the Bondholders of the District's Revenue Bonds, Series 2003, received a Notice of Event of Default because the Trustee did not receive sufficient payments from the District for the payment of the: (i) interest due on the Bonds on 5/1/2013; and (ii) principal maturity on the Bonds due and payable on 5/1/2013. The amounts on deposit in the revenue fund and the reserve account were insufficient to pay the interest and principal on the Bonds due and payable on 5/1/ 2013. A principal distribution and payment of \$876,151 was made in December 2020 towards the outstanding \$4,460,000 Bonds, leaving a remaining balance of \$3,583,849. Also, partial interest payments	N/A	2024 (FY 2021-22)	Prior year correspondence stated that the audit finding related specifically to the Stevens Plantation Improvement Project Dependent Special District, a component unit of the City (District). The District was created by the City as a dependent district for the purpose of facilitating the development of a mixed-use development called Stevens Plantation with the City. The Stevens Plantation Community Development District (CDD) was created in 2003 to facilitate the financing and operation of common public facilities and infrastructure in Stevens Plantation. Various bonds were issued by the District and the CDD. See prior year response for history of the District and the CDD relating to the bonds. The City and the District aggressively marketed the property for sale at the highest possible value, while working with the bondholders to obtain the highest possible net proceeds from the sales to satisfy the District's bonds. On 9/29/2022, the District closed on the	Yes

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City of St. Cloud (continued)	Osceola County (continued)	were made in June 2017 of \$710,812, in February 2020 of \$1,321,827, and in December 2020 of \$526,286 for interest accrued during the period 11/1/2011 through 10/31/2020. The Trustee has been made aware that the District's failure to make such a payment arises from the failure by the District, as the owner of certain real property within the District, to consummate sales of the property to third parties and distribute certain net proceeds of such sales to the Trustee. Therefore, the District is not in compliance with certain provisions of the Bonds. The auditors note that, in September 2022, the District entered into the sale of the last property held. (See PDF Page 169)			<p>sale of the last of the property owned by it and subject to the bond obligations referred to in the audit findings. The covenants for the subject bonds provide that the District is only obligated to satisfy the outstanding bonds from the net proceeds derived from the sale of the real property. Therefore, as the last of the real property owned by the District has been sold, the District's bond obligation has been extinguished. The City understands that the Bond Trustee is in the process of disbursing the funds from the land sales, and upon disbursement the remaining District bonds and related debt assessments will be cancelled. Therefore, the City's future audit reports should not contain the subject findings.</p> <p><u>Most recent status:</u> The referenced outstanding bond obligations were to be paid from the net sales proceeds from the sale of certain real property owned by the District. Since its creation, the City and the District aggressively marketed the property for sale at the highest possible value, while working with the bondholders to obtain the highest possible net proceeds from sales to satisfy the District bonds. On September 29, 2022, the District closed on the sale of the last of the property owned by it and subject to the bond obligations referred to in the subject audit findings. The covenants for the subject bonds provide that the District is only obligated to satisfy the outstanding bonds from the net proceeds derived from the sale of the real property. Therefore, as the last of the real property owned by the District has been sold, the District's bond obligation has been extinguished. The City understands that the Bond Trustee has disbursed all funds from the land sales in accordance with the bond covenants. Although the Bond Trustee has acknowledged that the bond indebtedness has been extinguished, the remaining</p>	

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City of St. Cloud (continued)	Osceola County (continued)				step is for the District's Bonds and related debt assessments to be formally cancelled. The City through its legal counsel is working with legal counsel for the Bond Trustee to formally document the cancellation of the indebtedness. Additionally, as the District no longer owns any real property and has no other function, it has been formally dissolved.	
Town of Surfside	Miami-Dade County	<u>MLC 2020-001 - Water &amp; Sewer Unrestricted Net Position Deficit:</u> During the current fiscal year it was noted that the Water and Sewer fund had a deficit unrestricted fund balance/net position of \$667,916. This was due to several years where previous utility rates were not sufficient to meet annual operating and nonoperating expenses, in combination with the outflow of debt principal and interest payments (\$1,840,729) and the acquisition and construction of capital assets (\$423,426) during the fiscal year. The auditors recommend that the Town continue to monitor and implement the rate study and five-year financial forecast performed to essentially eliminate the deficit and ensure future water, sewer, and stormwater utility rates/revenues are sufficient in order to continue funding annual operating and maintenance costs, debt service, meet debt service coverage ratio requirements, and maintain a fund balance/net position for reserve requirements. Additionally, the auditors recommend that management continuously monitor and compare actual results of the Water and Sewer fund operations as compared to the rate study to ensure any adjustments or changes as necessary are considered. (See PDF Page 132)	N/A	2024 (FY 2021-22)	During FY 2022-23, the Town continued to significantly improve the unrestricted fund balance/net position of the Water and Sewer fund as the deficit was corrected from \$1.38 million as of September 30, 2021, to a projected \$67,000 surplus pending completion of the audit. Nevertheless, management will continue to implement the recommendations of the existing rate study and closely monitor the fund moving forward. Consequently, this audit finding has been corrected and will not be included in the FY 2022-23 audit report.	Yes

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City of West Melbourne	Brevard County	<u>2023-002 - Unexpended Balance – Building Permits:</u> While the City has begun to spend down building permit funds and has plans to further reduce this balance, the City’s unexpended building permit funds at fiscal year-end exceeded the City’s average operating budget for enforcing the Florida Building Code for the previous four fiscal years by \$1,649,638. The auditors recommend that the City identify how it intends to reduce the amount of unexpended building code balances in order to comply with Section 553.80(7)(a), Florida Statutes. The auditors state that such action may require the City to modify its 2023-24 fiscal year budget. (See PDF Page 169)	N/A	2024 (FY 2021-22)	The City recognizes the requirement to reduce the excess fund balance restricted for Building Code Enforcement. In the 2019-20 and 2020-21 fiscal years, the City Council approved resolutions that waived and reduced certain building plan check and inspection fees. While these reductions did indeed reduce the excess, it has not reduced them to the level required by Florida Statutes. During the 2021-22 fiscal year, the City reduced the fund balance by \$499,099 due to operating expenses. In the 2022-23 fiscal year, the City contracted with an architectural firm to create a Building Design Criteria Package. In adopting the 2023-24 fiscal year City Budget on September 20, 2023, the City Council approved an appropriation to develop a new building to house the Building Department and will be issuing a Request for Qualifications for a design/build contract in March 2024 with contractor selection and award anticipated in April 2024.	Yes
Town of Yankeetown	Levy County	<u>2023-001 - Policies and Procedures:</u> The auditors noted that the Town did implement a purchasing policy; however, the Town has not completed the new employee handbook as it is still in draft form. The auditors recommend that the Town prioritize finalizing an employee handbook to ensure that proper procedures and related internal controls are in place and consistently followed. (See PDF Page 38)	N/A	N/A	N/A	Yes

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FOOTNOTE/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.

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Town of Alford	Jackson County	<u>2007-002 - Segregation of Duties</u> : There is a lack of segregation of duties between employees who have recordkeeping responsibility and employees in custody of Town assets because the Town has limited personnel in the accounting department. The possibility exists that unintentional or intentional errors or irregularities could occur and not be promptly detected. The auditors realize that, due to the size of the Town's administrative staff, it is difficult to achieve ideal separation of duties. However, the auditors recommend that the Mayor remain very active and involved in the day-to-day operations, and controls be implemented to help compensate for these weaknesses and to provide checks and balances. (See PDF Page 59)	SD	2017 (FY 2014-15)	The Town will continue to incur this finding due to limited number of office staff (1). The Town only employs a Town Clerk who handles all of the accounting and collections. The Town Council will continue to have oversight of monthly expenses. The Town Clerk can only prepare checks and not sign them. Two signatures are required on all checks, and a list of monthly expenses for current and prior month are provided to the Town Council on a monthly basis.	No
City of Bonifay	Holmes County	<u>2023-001 - Preparation of Schedule of Expenditures of Federal Awards and State Financial Assistance</u> : The external auditors' assistance was necessary to prepare the Schedule of Expenditures of Federal Awards and State Financial Assistance (Schedule) in accordance with the Uniform Guidance and Chapter 10.650, Rules of the Auditor General. City personnel lack the skills and experience necessary to enable them to prepare the Schedule including note disclosures. The auditors recommend that City personnel continue to develop their knowledge of generally accepted accounting principles in order to ultimately prepare or provide technical reviews of the Schedule. (See PDF Page 57)	MW	2022 (FY 2019-20)	Due to limited resources and expertise specific to Federal Awards and State Financial Assistance reporting, it is anticipated that the City will continue to rely on its external auditors to help ensure proper reporting of this information. However, the City has engaged the assistance of a grants administrator to assist with this matter and to limit the reliance on the external auditors.	No

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Town of Bronson	Levy County	<u>2023-1 - Segregation of Duties</u> : Due to the Town's limited staffing, one employee performs incompatible duties, including receiving and depositing cash, and recording all transactions. Effective internal controls over financial reporting require that the functions of authorizing transactions, custody of assets, and recording of transactions be separated in order to provide reasonable assurance that assets are adequately safeguarded, and transactions are properly authorized, executed, and recorded in accordance with the assertions of management. The auditors recommend that incompatible duties be separated among employees where it is feasible to do so. (See PDF Page 36)	MW	2017 (FY 2014-15)	The Town is a small municipality in a rural setting with only two full-time staff to handle daily activities. Duties are separated as much as possible.	No
City of Bushnell	Sumter County	<u>2008-1 - Segregation of Duties</u> : The City operates with small finance, accounting, and customer service departments 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. Because significant deficiencies in internal control over financial reporting exists when there is not sufficient separation of incompatible accounting duties, the auditors recommend that the City's finance, accounting, and customer service departments continue to develop and, if necessary, expand its current staff to ensure more effective internal control structure over financial reporting. (See PDF Page 109)	SD	2022 (FY 2019-20)	Management continually reviews current segregation of duties and reassigns job duties as permitted to allow for more appropriate segregation. More tasks have been assigned to both the Accounts Payable Specialist and the Procurement Administrative Assistant to improve the segregation of duties in the Finance Department. However, due to the loss of the previous City Manager/Finance Director, the staff requirements have become limited again. The City is hopeful that in the coming year the additional staff can be added to fulfill the requirements for the segregation of duties, but due to the small size of the current City staff it is unlikely that complete segregation of duties can be achieved in the coming fiscal year.	No

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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 Center Hill	Sumter County	<u>2020-1 - Segregation of Duties</u> : The City operates with a very 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. Because significant deficiencies in internal control over financial reporting exist when there is not sufficient separation of incompatible accounting duties, the auditors recommend that the City's finance, accounting, and customer service department continue to develop and, if necessary, expand its current staff to ensure more effective internal control structure over financial reporting. (See PDF Page 35)	SD	2024 (FY 2021-22)	The City knows that this is an issue; however, due to the size of the City and its funds, the City cannot hire anymore staff at this time, The City, however, knows that potential growth within the City will lead to more revenue and the need for more office staff. The City has made some changes to the way it handles segregation of duties as the auditors have requested. The City believes this will clear the finding for future audits until such time as the City can afford to hire more office staff.	No
City of Coleman	Sumter County	<u>2023-1 - Improve Knowledge of Internal Control Over Financial Reporting</u> : Professional Standards (AU-C 265, formerly Statement on Auditing Standard (SAS) No. 115) – Communicating Internal Control Related Matters Identified in an Audit addresses various control deficiencies in the design or operation of internal control and now requires the auditor to communicate such deficiencies in writing. One of those controls addresses "the person responsible for the accounting and reporting function lacks the skills and knowledge to apply generally accepted accounting principles (GAAP) in recording the entity's financial transactions or preparing its financial statements." The auditors believe that this situation still exists at the City for the fiscal year ended September 30, 2023. The auditors bring this condition to the City's attention in accordance with professional standards but recognize that it requires the City's assessment of a cost-effective solution. Alternative solutions might include training	SD	2017 (FY 2014-15)	The City evaluated the cost vs. benefit of establishing internal control over the preparation of financial statements in accordance with generally accepted accounting principles and came to the conclusion that outsourcing this task to the City's auditors is the most cost effective way for small entities with limited staff and resources like the City. However; the City continues to stay involved in the process by reviewing the financial statement draft, making significant input into the management discussion and analysis and other pertinent sections. The City will also continue to ensure that its auditors are independent of the City's internal control system.	No

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City of Coleman (continued)	Sumter County (continued)	accounting staff, hiring additional staff or engaging outside consultants, or obtaining assistance from knowledgeable volunteers to prepare financial statements in accordance with GAAP. The auditors understand the City has determined it is in its best interest to continue to outsource this task to its independent auditors. (See PDF Page 63)				
		<u>2023-2 - Lack of Segregation of Duties:</u> The small size of the City's accounting staff precludes certain internal controls and the segregation of duties afforded by a larger staff. The Financial and Operations Manager performs all of the accounting tasks; she receives invoices, approves them for payment, prepares checks, mails out the checks, prepares bank reconciliations, and posts activity into the general ledger and the utility system computer package. The lack of segregation of duties increases the potential for error. The auditors recommend that the City implement any practical controls to overcome this inherent weakness in internal control. The auditors noted that the Financial and Operations Manager is not an authorized check signer, which they believe is an excellent policy. The auditors also noted that another person is the primary cashier for utility customer payments and makes bank deposits. The auditors continue to recommend that management and the City Council remain closely involved in the financial affairs of the City to provide oversight and independent review of functions. (See PDF Page 63)	SD	2017 (FY 2014-15)	The City continues to provide as many safeguards as possible by having bills inspected by the Mayor and approved by the City Council. The response also includes additional compensating controls implemented by the City.	No

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City of Cottondale	Jackson County	<u>2003-001 - Separation of Duties</u> : The City has not designed its internal control system to include sufficient segregation of duties. Staff members having custody of accounting records also have access to assets. Due to the limited number of staff, the auditors recommend that the City make every effort to allocate duties for recording assets and access to assets among full-time staff, as well as use City Council members to provide review and approval procedures where possible. (See PDF Page 54)	SD	2019 (FY 2016-17)	The City's office personnel consist of the City Clerk, the Deputy Clerk, and the Secretary/Receptionist. The City allocates duties among the employees to try to sufficiently segregate all duties for recording and accessing accounting proceedings. The response specifies the tasks that each employee performs.	No
Town of Glen Saint Mary	Baker County	<u>2023-002 - Financial Reporting</u> : As part of the audit process, it was necessary for the auditors to propose material adjustments to the Town's financial statements and to assist with the preparation of the financial statements. The auditors recommend that the Town consider and evaluate the costs and benefits of improving internal controls relative to the financial reporting process. The auditors state that, by improving the financial reporting process, the Town will have an enhanced ability to monitor its budget position on an ongoing basis. (See PDF Page 46)	MW	2017 (FY 2014-15)	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
		<u>2023-001 - Separation of Duties</u> : Because of a limited number of 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 all phases of a transaction. Consequently, the possibility exists that unintentional or intentional errors or irregularities could exist and not be detected. The auditors recommend that, to the extent possible, given available personnel, steps be taken to segregate employee duties so no one individual has access to both physical	MW	2017 (FY 2014-15)	The Town's population is under 500. Due to budget constraints, the Town has only two part-time employees (Mayor and Town Clerk) who handle all water/sewer billing, code enforcement, and all day-to-day office operations. The Town has all bank accounts set up to require two signatures for all payments. The Town Council also gets copies of check registers each month to review.	No

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Town of Glen Saint Mary (continued)	Baker County (continued)	assets and the related accounting records, or all phases of a transaction. (See PDF Page 46)				
City of Graceville	Jackson County	2007-001 - Financial Reporting: The City relies on the external auditor to assist with preparing and explaining financial statements in conformity with generally accepted accounting principles (GAAP). The City has a small accounting staff necessitated by the overall small size of the entity and does not consider it cost effective to develop and maintain a system of internal accounting control sufficient to prepare financial statements in accordance with GAAP, nor to maintain internal staff with sufficient knowledge to develop and maintain controls to prevent, detect, or correct misstatements in audited financial statements. The auditors recommend that the City continue to consider the effects of the cost of developing and benefits of implementing a system as compared with understanding that, due to the size of the accounting department, the City will continue to need external assistance with the preparation and understanding of financial statements in accordance with GAAP. (See PDF Page 64)	MW	2017 (FY 2014-15)	The City operates with a limited staff responsible for all financial operations. The City operates on a cash account basis and will continue to utilize accounting firms to complete annual audit and work through issues identified.	No
		2006-001 - Separation of Duties: Custody of assets, record keeping, and recording of assets should have adequate separation. Due to the City's size, proper separation of duties may not be feasible. The auditors recommend that management remain very active and involved in the day-to-day operations and that controls be established to provide checks and balances. (See PDF Page 64)	SD	2017 (FY 2014-15)	The City operates with a small staff consisting of three principal employees dealing with the week-to-week financial functions of the City and a City Manager.	No

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Town of Greensboro	Gadsden County	<u>2023-001 - Segregation of Duties</u> : During the audit the auditors noted that separation of certain accounting and administrative duties among employees, which is recommended as an effective internal control procedure, was not adequate. The limited number of employees precludes ideal segregation of duties. The auditors recommend that, in the absence of the ability to hire additional employees, alternative procedures, including additional oversight with regard to certain functions, be performed regularly to mitigate the risk caused by this deficiency in internal controls. (See PDF Page 47)	MW	2017 (FY 2014-15)	The Town employs a total of three people. The small staff includes the Town Manager, the Office Assistant/Town Clerk, and a Maintenance person. The Town Manager opens all bank statements and makes all bank deposits, returning receipts to the Town Clerk. The Town Council is aware of the concerns and would certainly make any changes necessary were funds available for increase in staffing levels.	No
Town of Greenwood	Jackson County	<u>2007-001 - Financial Reporting</u> : The Town relies on the external auditors to assist with the preparing and explaining financial statements in conformity with generally accepted accounting principles (GAAP). The Town has a capable individual providing bookkeeping services; however, the Town does not have an individual on staff with accounting education and experience to properly record more complex accounting transactions and prepare the financial statements in accordance with GAAP. This results in a material weakness under professional standards. The auditors understand the cost-benefit of hiring someone with this experience is not practical; therefore, they recommend that the Town continue to request outside assistance in recording more complex transactions. (See PDF Page 43)	MW	2017 (FY 2014-15)	With the financial pressures and lack of funding, the Town has found the cost to benefit ratio is far too great for the Town to employ more personnel. The Town will continue to use its auditor to provide financial advice on certain issues when necessary. Management prepares monthly financial statements for the Town Council and will continue to prepare annual financial statements for auditing purposes.	No

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Town of Hilliard	Nassau County	<u>2009-1 - Financial Statement Preparation</u> : The Town does not have the expertise necessary to prevent, detect, and correct misstatements in the financial statements, and is not capable of drafting the financial statements and all required footnote disclosures in accordance with generally accepted accounting principles. A deficiency in internal control exists in such instances. Possessing suitable skill, knowledge, or experience to oversee service an auditor provides in assisting with financial statement presentation requires a lower level of technical knowledge than the competence required to prepare the financial statements and disclosures. (See PDF Page 83)	N/A	2017 (FY 2014-15)	The Town is a very small government and has used available resources to employ a competent bookkeeper who maintains excellent accounting records and provides accurate monthly financial reports. The Town has confidence in the audit firm to utilize these records and prepare annual financial statements in the required formats and with all associated note disclosures. 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
Town of Horseshoe Beach	Dixie County	<u>2011-1 - Financial Statement Preparation</u> : The Town does not have the expertise necessary to prevent, detect, and correct misstatements in the financial statements, and is not capable of drafting the financial statements and all required footnote disclosures in accordance with generally accepted accounting principles. A deficiency in internal control exists in such instances. Possessing suitable skill, knowledge, or experience to oversee service an auditor provides in assisting with financial statement presentation requires a lower level of technical knowledge than the competence required to prepare the financial statements and disclosures. (See PDF Page 44)	SD	2017 (FY 2014-15)	The Town is a very small government and has used available resources to employ a competent bookkeeper who maintains excellent accounting records and provides accurate monthly financial reports. The Town has confidence in the audit firm to utilize these records and prepare annual financial statements in the required formats and with all associated note disclosures. 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
Town of Interlachen	Putnam County	<u>2023-001 - Preparation of Financial Statements</u> : The Town's internal control system over financial reporting does not currently provide for preparation of financial statements, including note disclosures, in accordance with generally accepted accounting principles (GAAP). While the auditors can assist with the preparation of	SD	2017 (FY 2014-15)	The Town has limited resources and staff and utilizes an outside consultant to assist with accrual adjustments related to accounts payable and receivable items. She also reviews revenue and expense coding to ensure that line items are not over-expended or ledgered against the wrong item line. The response includes additional	No

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Town of Interlachen (continued)	Putnam County (continued)	financial statements and related footnotes, the financial statements are the responsibility of management. The auditors state that a control deficiency exists in instances where the Town is not positioned to draft the financial statements and all required note disclosures. However, outsourcing of these services is not unusual in governmental entities of similar budget and personnel size. The auditors state that, for subsequent audits, management may wish to take an active role in the drafting of the financial statements and related disclosures. (See PDF Page 36)			compensating controls taken by the Town. The Town does not currently have resources available to allow for preparation of financial statements and note disclosures in accordance with Governmental Accounting Standards Board requirements.	
City of Madison	Madison County	<u>2012-1 - Financial Statement Preparation</u> : The City does not have the expertise necessary to prevent, detect, and correct misstatements, and is not capable of drafting the financial statements and all required footnote disclosures in accordance with generally accepted accounting principles. A deficiency in internal control exists in such instances. Possessing suitable skill, knowledge, or experience to oversee services an auditor provides in assisting with financial statement presentation requires a lower level of technical knowledge than the competence required to prepare the financial statements and disclosures. (See PDF Page 77)	SD	2017 (FY 2014-15)	The City is a very small government and has used available resources to employ a competent bookkeeper who maintains excellent accounting records and provides accurate monthly financial reports. The City has confidence in the audit firm to utilize these records and prepare annual financial statements in the required formats and with all associated note disclosures. 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

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Town of Malone	Jackson County	2007-001 - <u>Financial Reporting</u> : The Town relies on the external auditor to assist with preparing and explaining financial statements in conformity with generally accepted accounting principles (GAAP). The auditors noted that the Town has a small accounting staff necessitated by its overall small size and does not consider it cost effective to develop and maintain a system of internal accounting controls sufficient to prepare financial statements in accordance with GAAP, nor to maintain internal staff with sufficient knowledge to develop and maintain controls to prevent, detect, or correct misstatements in audited financial statements. The auditors recommend that the Town continue to consider the effects of the cost of developing and benefits of implementing such a system as compared with understanding that, due to the size of its accounting department, it will continue to need external assistance with the preparation and understanding of financial statements in accordance with GAAP. (See PDF Page 45)	MW	2017 (FY 2014-15)	The Town does not consider it cost effective due to its small size to develop and maintain a system of internal accounting control sufficient to prepare financial statements in accordance with generally accepted accounting principles or maintain internal staff.	No
		2004-001 - <u>Separation of Duties</u> : Custody of assets, record keeping and recording of assets should have adequate separation. Due to the size of the Town, proper separation of duties may not be feasible. The auditors recommend that management remain very active and involved in the day-to-day operations and that controls be established to provide checks and balances. (See PDF Page 45)	SD	2017 (FY 2014-15)	The Town is a small town and only has two office staff members. This is a remaining issue and the Town does not see it changing soon. The Mayor and Town Council will continue to be active and involved in the day-to-day operation of the Town's finances.	No

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Town of McIntosh	Marion County	<u>2019-1 - Financial Statement Preparation</u> : The Town does not have the expertise necessary to prevent, detect, and correct misstatements, and is not capable of drafting the financial statements and all required footnote disclosures in accordance with generally accepted accounting principles. A deficiency in internal control exists in such instances. Possessing suitable skill, knowledge, or experience to oversee services an auditor provides in assisting with financial statement presentation requires a lower level of technical knowledge than the competence required to prepare the financial statements and disclosures. (See PDF Page 39)	N/A	2023 (FY 2020-21)	The Town is a very small government and has used available resources to employ a competent bookkeeper who maintains excellent accounting records and provides accurate monthly financial reports prepared generally on the cash basis. The Town has confidence in its audit firm to utilize these records and prepare annual financial statements in the required formats and with all associated note disclosures.	No
Town of Montverde	Lake County	<u>ML 2023-01 - Internal Controls Over Recording Transactions in Accordance with GAAP</u> : Due to the small size of the Town, the staff does not have the necessary qualifications and training to record transactions and prepare financial statements in accordance with generally accepted accounting principles (GAAP). During the course of the audit, the auditors had to recommend multiple adjusting entries be posted and make several adjustments in order for the financial statements to be prepared. The auditors recommend that Town staff receive additional training on governmental accounting standards, as well as make all required adjustments to the year-end financial statements. (See PDF Page 50)	MW	2020 (FY 2017-18)	The Town is small with a staff of six; while that is not an excuse, it does highlight the difficulty a small community can face when segregating duties to ensure accountability and transparency. The Town has implemented changes that it believes will allow the independent auditor to remove this finding from future audits, including: (1) increased training in generally accepted accounting principles (GAAP); (2) the purchase of a new accounting software, along with training for employees on its use and implementation; (3) a short-term contract with a professional city-county manager and a city finance director to assist in the upgrade of the accounting system and the training of Town employees; and (4) a significant charter change, moving from a Strong Mayor form of governance to a Town Manager-Council form of governance effective November 2020. The goal is to eliminate audit comments and ensure the Town is running as efficiently and transparently as possible to maintain the citizens' confidence in their Town government.	No

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City of Oak Hill	Volusia County	<u>2023-005 - Segregation of Duties</u> : The auditors noted that there is not consistent and adequate segregation of duties between those who perform recordkeeping and those who have control or custody of City assets. The design of certain controls does not include an adequate level of segregation of duties. The potential for an error or misappropriation of the City's assets and revenues could occur and not be detected in a timely manner. The auditors recommend that controls be reevaluated to include segregation of duties, specifically for employees performing cashier functions, payment functions, payroll functions, and bank reconciliations. (See PDF Page 64)	SD	2017 (FY 2014-15)	The City will continue to work diligently to mitigate these matters within its physical and financial constraints. In a very small office environment, it is difficult to properly segregate all duties; however, the City will continue to consider its limited options and constraints to separate the important finance functions and duties to further strengthen internal controls.	No
Town of Otter Creek	Levy County	<u>2011-1 - Financial Statement Preparation</u> : The Town does not have the expertise necessary to prevent, detect, and correct misstatements, and is not capable of drafting the financial statements and all required footnote disclosures in accordance with generally accepted accounting principles. A deficiency in internal control exists in such instances. Possessing suitable skill, knowledge, or experience to oversee services an auditor provides in assisting with financial statement presentation requires a lower level of technical knowledge than the competence required to prepare the financial statements and disclosures. (See PDF Page 41)	SD	2018 (FY 2015-16)	The City is a very small government and has used available resources to employ a competent bookkeeper who maintains excellent accounting records and provides accurate monthly financial reports. The City has confidence in the audit firm to utilize these records and prepare annual financial statements in the required formats and with all associated note disclosures. 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

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City of Paxton	Walton County	<u>2023-01 - Financial Reporting</u> : The City is a small entity with few employees who lack the expertise to apply the required accounting principles to convert the existing accounting records to generally accepted accounting principles (GAAP) based financial statements. Therefore, the City engages its auditors to assist in the application of new GAAP standards and to prepare the City's financial statements as a nonattest engagement. The auditors recommend that the City educate its staff with GAAP and GASB (Governmental Accounting Standards Board) based training along with access to research websites. (See PDF Page 53)	SD	2017 (FY 2014-15)	Because of the financial disadvantage of the City, it does not have funding to staff an employee with the credentials that would be required to complete the financial statements according to generally accepted accounting principles. Therefore, the City relies on its accountants (auditors) to complete this task.	No
		<u>2023-02 - Separation of Duties</u> : Due to the small size of the City, the accounting and administrative staff are precluded from performing certain internal controls that would be preferred. A fundamental concept of internal control is the separation of duties. No one employee should have access to both physical assets and the related accounting records or to all phases of a transaction. The auditors recommend that the City hire additional staff or use existing staff to implement internal controls over assets and the accounting processes. (See PDF Page 53)	SD	2017 (FY 2014-15)	The City is a small municipality with only six employees. Two of the employees are office/administration, City Clerk and Utilities Billing Clerk. Between the two clerks, the City tries to have a checks and balance system in place (with duty separations as suggested by the City's accountants (auditors)). The response includes specific information relating to compensating controls implemented by the City. The City works diligently to keep duties separated as much as possible with a limited staff.	No

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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?
Town of Pierson	Volusia County	<p><u>2009-01 - Financial Statement Preparation:</u> Management requested the auditors to prepare a draft of its financial statements, including the related notes to financial statements. Management reviewed, approved, and accepted responsibility for those financial statements prior to their issuance; however, management did not prepare the financial statements. The absence of controls over the preparation of the financial statements is considered a material weakness because there is a reasonable possibility that a material misstatement of the financial statements could occur and not be prevented, or detected and corrected, by the Town's internal control. (See PDF Page 40)</p>	MW	2020 (FY 2017-18)	This finding relates to an area that may never be fully resolved due to limited staff and resources.	No
		<p><u>2009-02 - Segregation of Duties:</u> The Town Clerk is responsible for all accounting functions (cash deposits, cash disbursements, payroll, accruals, journal entries, and financial statement preparation) and also receives all bank statements. The auditors recommend that: (1) monthly transactions be reviewed by a Council member or another employee of the Town, (2) monthly financial statement balances be reviewed by someone who can determine whether the balances are reasonable, (3) bank statements be received by a Council member or someone independent of cash receipts and disbursements, and (4) canceled checks be reviewed for unusual items. (See PDF Page 41)</p>	MW	2020 (FY 2017-18)	This finding relates to an area that may never be fully resolved due to limited staff and resources. The Town is continually looking for ways to implement compensating controls to help mitigate some of the inherent risks that exist in a small entity.	No

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 SD = Significant Deficiency (see 3. in Legend)

MUNICIPALITIES

Local Governmental Entities That Failed to Take Full Corrective Action in Response to a Recommendation Included in the FY 2022-23 Fiscal Year Audit Report and the Two Preceding Audit Reports<sup>1</sup>

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 Springfield	Bay County	<u>2023-002 - Schedule of Expenditures of Federal Awards Preparation:</u> Inadequate design of internal control over the preparation of the schedule of expenditures of federal awards being audited gives rise to a material weakness in internal control. Because the City has a limited number of staff and is not able to create its own financial statements and schedule of expenditures of federal awards, the auditors assist in the preparation, while the City retains responsibility for them. Multiple entries were required to post year-end adjustments related to grants. The auditors recommend that the City consider taking the necessary steps to prepare its schedule of expenditures of federal awards to the extent practical. (See PDF Page 88)	MW	2019 (FY 2016-17)	The City's new finance director is qualified to prepare financial statements; however, due to cost constraints it is beneficial to have the audit team assist in the preparation of financial statements.	No
		<u>2023-006 - Segregation of Duties:</u> Due to the limited number of staff, the City does not have proper segregation of duties in many areas including user access within the accounting system. Even when daily activities are properly segregated, most staff are cross trained as backups in incompatible duties. The auditors recommend that: (1) the City continue to evaluate the cost/benefit of hiring additional staff to better segregate incompatible duties; (2) duties be separated as much as possible and compensating controls be incorporated to mitigate the risk associated with the lack of proper segregation of duties; (3) monthly financial activity such as journal entries, significant account balances, bank reconciliations, bank statements, and check images be reviewed for reasonableness by an independent member of management with sufficient knowledge; (4) additional oversight be implemented in other areas where possible in order to reduce the City's risks to an	SD	2019 (FY 2016-17)	The City is 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. Some tasks that were able to be segregated were immediately identified and corrective action has been taken. Duties that cannot be separated are performed and reviewed by separate staff members. The City believes that this note will always be present due to the cost factor of having sufficient qualified staff to properly segregate duties.	No

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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 Springfield (continued)	Bay County (continued)	acceptable level; and (5) the City continue to review the user access within the accounting system to consider whether all users have the access they actually need and administrative access is limited as much as possible. (See PDF Page 91)				
Town of St. Lucie Village	St. Lucie County	<u>2016-1 - Organizational Structure</u> : 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 optimal segregation of duties. The auditors recommend that the Board remain involved in the financial affairs of the Town to provide oversight and review functions to assist the segregation of duties in the accounting department. (See PDF Page 19)	N/A	2017 (FY 2014-15)	The Town is a 2.6 mile by 0.4 mile area populated by approximately 600 residents, faced with the challenges of a small, part-time staff. The Town continues to keep its governing Board involved for oversight and creating mitigating controls. The response includes specific information relating to compensating controls implemented by the Town. With the procedures and oversight established, the Town is confident that adequate safeguards are in place to ensure protection of the Town's resources.	No
City of St. Marks	Wakulla County	<u>2023-001 - Segregation of Duties</u> : Internal controls are designed to safeguard assets and help prevent or detect losses from employee dishonesty or error. A fundamental concept in a good system of internal control is the segregation of duties. The basic premise is that no one employee should have access to both physical assets and the related accounting records or to all phases of a transaction. The same person within the accounting department handles cash and checks and posts receipts and disbursements to the utility ledger. The auditors recommend that the City have another designated person receive all cash and checks, make all required deposits, and return a summary of receipts along with a validated deposit slip before turning them over to the accounting department. (See PDF Page 38)	MW	2017 (FY 2014-15)	The financial resources of the City are limited. The City has two employees who must perform all accounting duties. The City will try to segregate duties of handling cash, checks, posting receipts, and disbursements 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. Therefore, as a compensating control, the City Council reviews the financial statements and budget comparison on a monthly basis. This control provides the additional level of review necessary to mitigate the lack of segregation of duties finding.	No

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City of Wewahitchka	Gulf County	<u>2011-1 - Financial Statement Preparation</u> : The City does not have the expertise necessary to prevent, detect, and correct misstatements, and is not capable of drafting the financial statements and all required footnote disclosures in accordance with generally accepted accounting principles. A deficiency in internal control exists in such instances. Possessing suitable skill, knowledge, or experience to oversee services an auditor provides in assisting with financial statement presentation requires a lower level of technical knowledge than the competence required to prepare the financial statements and disclosures. (See PDF Page 54)	SD	2017 (FY 2014-15)	The City is a very small government and has used available resources to employ a competent bookkeeper who maintains excellent accounting records and provides accurate monthly financial reports. The City has confidence in the audit firm to utilize these records and prepare annual financial statements in the required formats and with all associated note disclosures. 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 Windermere	Orange County	<u>23-01 - Internal Controls Over the Preparation of Financial Statements</u> : The Town does not have the necessary expertise to draft the financial statements without the auditors' assistance. Due to the small size of the Town, none of the staff are qualified to prepare the financial statements. Errors in financial reporting could go undetected by management. The auditors recommend that the City continue training existing staff to improve financial reporting. (See PDF Page 40)	SD	2017 (FY 2014-15)	Due to the size, limited staff and resources of the Town, management acknowledges and accepts this deficiency. However, the material weakness was partially corrected earlier. As noted in a prior audit report, the Finance Director's skills at recording financial transactions in accordance with generally accepted accounting principles have improved such that the auditors did not report a material weakness, but did report a significant deficiency. This deficiency may never be fully resolved, and it may not be possible, practical, or feasible for the Town to perform this function internally.	No

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FOOTNOTE/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.

# **SPECIAL DISTRICTS**

SPECIAL DISTRICTS

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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?
Almarante Fire District	Okaloosa County	<u>2022-02 - Lack of complete general ledger accounting:</u> The District implemented the use of a commercial general ledger accounting software, but the software was not in use for the full year and lacked beginning balances. The District used excel spreadsheets to list receipts and disbursements for the entire year, creating separate columns for each revenue and expenditure category, and totaling up for the entire year the totals of each revenue and expenditure category. The District then used the excel spreadsheet totals to prepare financial statements of receipts and disbursements for the audit. There was no accounting of assets and liabilities. As a result, the District has difficulty in accurately preparing monthly or year-to-date financial statements on a timely basis. The auditor recommends that the District enter beginning balances and continue using the commercial general ledger accounting software to ensure that all transactions are posted to the general ledger on a timely basis, which will enable the District to produce timely and accurate financial reports for the District's Board. [Note: The finding is also referenced as #2023-02] (See PDF Pages 36-37)	N/A	2024 (FY 2021-22)	Starting in FY 2023-24, the Board has opted into utilizing the QuickBooks online accounting suite for primary bookkeeping tracking. This may result in another finding for FY 2022-23 as QuickBooks was not fully in use until October 2023.	Yes
Brooks of Bonita Springs Community Development District	Lee County	<u>2023-01 - Series 2021 Reserve Account:</u> The Bond Indenture established a debt service reserve requirement. The District was not in compliance with the requirements during the current fiscal year. The auditors recommend that the District open a reserve account with the bank. (See PDF Page 29)	N/A	N/A	N/A	Yes

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Brooks of Bonita Springs II Community Development District	Lee County	<u>2023-01 - Reserve Requirement Series 2021</u> : The Bond Indenture established a debt service reserve requirement. The District was not in compliance with the requirements during the current fiscal year. The auditors recommend that the District open a reserve account with the bank. (See PDF Page 31)	N/A	N/A	N/A	Yes
Clearwater Cay Community Development District	Pinellas County	<u>2020-01 - Budget Administration</u> : The actual expenditures in the General Fund exceeded the budget which is a violation of Section 189.016, Florida Statutes. (See PDF Page 37)	N/A	2024 (FY 2021-22)	The District's response letter did not address this finding.	Yes
		<u>2019-01 - Debt Administration</u> : The District is not in compliance with certain provisions of its bond indenture including those relating to: 1) levying and collecting assessments to provide debt service payments, 2) maintaining adequate balances in the debt service reserve account, and 3) making its semi-annual debt service payments. The auditors recommend that the District take the necessary steps to be in compliance with the bond indenture. (See PDF Page 36)	N/A	2024 (FY 2021-22)	Since 2015, the District has been a party to litigation brought by the property owners within the District against the District and the District's bondholders. Litigation is over the amount of the assessment for payment to the bondholders and remains pending in Circuit Court for the Sixth Judicial Circuit. One assessment supported by the bondholders was held invalid by the court, and no assessment has been subsequently validated. The 2020-2021 Audit contains the following statement: "Revised Debt Assessment Validation In September 2019, the District approved a revised debt assessment methodology that would lower the annual debt service assessments from approximately \$589,800 to approximately \$297,300. In November 2019, the District filed a motion with the county to validate and approve this debt assessment levy. The owner of the District's Bonds seeks to invalidate these debt assessments and also threatens to seek contractual damages from the District, and the potential damages are speculative. In March 2020, the Judge sent the debt assessment validation to non-binding arbitration. The non-binding arbitration order results were favorable for the District and were presented to the court. The	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?
Clearwater Cay Community Development District (continued)	Pinellas County (continued)				<p>Bondholders did not accept the arbitration recommendation and it is to go back to the Judge. It is not clear how the District will fund debt service payments with lower assessments if the Bondholders position is upheld. Potential damages are speculative, and the District intends to continue to defend these actions." Since the audit was promulgated, the District has ended the debt assessment, in 2022, based on the finding that there was no actual benefit resulting from the use of the bond proceeds. The District withdrew its motion to ratify the prior assessment as moot. There are currently no pending motions or actions regarding the assessments, although the circuit court has retained jurisdiction should any further motions be made. The District is complying with orders of the court and will continue to do so in the future.</p> <p>In April 2023, the trustee under the bond indenture, US Bank, brought suit against the District and some individual Supervisors, seeking various remedies, including damages, in US District Court. The action is initially defended by the District's liability insurer, and counterclaims have been filed against US Bank by the District. At this stage, the District has no realistic estimate if there is any financial exposure or the potential extent of any financial exposure to the District. The District has indicated an intent to defend this action, which is currently in mediation ordered by the federal court. In summary, the topic of the continuing audit is, and continues to be, a product of litigation between the landowners, bondholders, and trustee, in both state and federal court. The District will follow any court directives which result from the litigation.</p>	

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Creekside Community Development District	St. Lucie County	<u>2023-01 - Financial Condition Assessment</u> : The former Developer and certain Landowners have largely stopped funding the District and the future of the project remains uncertain. As a result, certain scheduled debt service payments were made, in part, by draws on the Debt Service Reserve Account in prior fiscal years. In addition, the District did not have sufficient funds to make certain scheduled debt service payments in the prior, current, and subsequent fiscal years and, as a result, the payments were not made when due and, in some cases, remain unpaid. The District's failures to make its scheduled debt service payments when they are due are considered events of default. However, during the prior fiscal year the District obtained title to certain lots which were delinquent on the paying assessments. During a prior year, the District entered into a contract for the sale of the land for \$4,759,153 and is expected to use the proceeds to pay the amounts owed on the Bonds of \$2,876,100 and allocated \$625,817 to the general fund. The land sale closing is expected to occur within one year subsequent to the current fiscal year. In addition, the District has not been able to pay vendors for amounts for previous years due to a lack of funding. The auditors recommend that the District take the necessary steps to alleviate the deteriorating financial condition. (See PDF Page 32)	N/A	2024 (FY 2021-22)	Prior year correspondence stated: The District has authorized filing of a 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. At the Bondholder's request, the foreclosure was not pursued; due to the reduced value of the property, the expenses of foreclosure could not be justified. Subsequently, a large portion of the delinquent property escheated to St. Lucie County and was then deeded to the District from St. Lucie County. In cooperation with the Bondholder, these properties will be marketed to builders and proceeds of the sale(s) will be applied toward the outstanding 2006 Bond Assessments. The District was also working on a Settlement Agreement with another landowner regarding past due assessments. The District continues to make progress toward having the repeat finding corrected; unfortunately, the finding will be repeated. <u>Most recent status</u> : There has been no material additional corrective action taken by the District from what was provided in the prior year response other than negotiations between bondholders and property owner continue towards a permanent solution.	Yes
Crossings At Fleming Island Community Development District, The	Clay County	<u>15-01 - Failure to Make Debt Service Payments When Due</u> : In the current and prior years, the District did not pay the entire principal and interest due on the Golf Course Revenue Bonds, Series 1999, because operating revenues are insufficient. At fiscal year-end, the District was in default per the Trust Indenture. The auditors	N/A	2024 (FY 2021-22)	Prior year correspondence stated: The District has worked diligently for many years in an effort to bring debt service payments current on its golf course revenue bonds. This includes, but is not limited to, funding and completing over \$1.5M of capital improvements, as well as adopting and following recommended actions contained in the study	Yes

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Crossings At Fleming Island Community Development District, The (continued)	Clay County (continued)	recommend that the District utilize all remedies available to bring debt service payments current. (See PDF Page 39)			performed by the National Golf Foundation conducted in early 2020. The District has also explored the viability of a tender offer to redeem the defaulted bonds from current bondholders at a discount. <u>Most recent status:</u> The District has implemented recommendations from a study conducted last year by a professional golf operations consulting company. This includes but is not limited to over \$2 million in capital improvements to the golf course and restaurant, all to bring debt service payments current on the golf course revenue bonds. The District has sufficient funds to continue to pay all operating and maintenance expenses related to the golf course and does not require any financial assistance from the State.	
		<u>15-02 - Failure to Meet Debt Service Reserve Account Requirement:</u> At fiscal year-end, the Debt Service Reserve Account was deficient because the balance in the Debt Service Reserve Account was used to pay debt service expenditures. As a result the District was in default per the Trust Indenture. The auditors recommend that the District utilize all remedies available to replenish the Debt Service Reserve Account. (See PDF Page 39)	N/A	2024 (FY 2021-22)	See Response to Finding #15-01 above.	Yes
Doctors Memorial Hospital	Holmes County	<u>2023-002 - Public Deposit Act Compliance:</u> The State of Florida's Public Deposit Act requires that public deposits may only be made at qualified public depositories. During the fiscal year ended September 30, 2019, the Hospital transferred its Series 2006 bond reserve and interest and sinking fund cash accounts to a new financial institution which is not a qualified public depository of the State of Florida. The cash balances were transferred to a new financial institution at the time the financial institution became the new	MW	2024 (FY 2021-22)	The Hospital, with the assistance of its legal counsel, has addressed this issue with the bondholders who have refused to change their depository. The Hospital has made and continues to [explore opportunities to] refinance its bonds. While it looked favorable that refinancing was going to happen, the economy has declined, making the new interest rates unfavorable to improving the overall strength of the Hospital financials.	Yes

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Doctors Memorial Hospital (continued)	Holmes County (continued)	custodian of the related bonds. This condition remains in the 2022-23 fiscal year. The auditors recommend that Hospital management consult with bondholders and financial institution representatives to ensure that all public deposits are held in qualified public depositories, as required. (See PDF Page 51)				
		<u>2023-001 - Accruals and Net Position Presentation:</u> Management is responsible for establishing and maintaining effective internal control over financial reporting and presenting financial statements in accordance with generally accepted accounting principles (GAAP). Audit adjustments were required to adjust estimated amounts due from Medicaid supplemental payments, payroll accruals, accounts payable, County tax receivables / revenues, and others. Internal controls were not sufficient to detect certain misstatements in the financial statements. The auditors recommend that Hospital management continue to focus on strengthening internal controls surrounding financial reporting and the proper presentation of financial statements in accordance with GAAP and ensure that appropriate measures are taken to reconcile and record all assets and liabilities. (See PDF Page 51)	MW	2024 (FY 2021- 22)	The Hospital has changed its reserve methodology to include the entire population of patient accounts receivable, gross of any credit balances payable to patients and insurers, to calculate the reserve for bad debts. The Hospital is currently in the process of selecting a new consultant for the preparation of the cost report and state Disproportionate Share Hospital (DSH) and Low Income Pool (LIP) surveys [for the Medicaid program]. While interim steps were taken in an effort to more accurately project the reserve methodology for Medicare, Medicaid, and all other insurance and third-party payers, it was decided that a change in consultants is necessary to correct the issue. The Hospital is processing all refunds in a timely manner when they occur, and has also strengthened the month-end closing checklist to ensure the proper review of all balance sheet accounts. The Hospital continues to experience significant growth in revenues from new services and is in a constant mode of analyzing the impact on the organization. The Hospital continues to review the month-end closing guide to ensure that it is adjusted as new services are added.	Yes
Downtown / Historic Ybor Tourism Marketing District	Hillsborough County	<u>2022-002 - Material Weakness in Internal Controls Related to Compliance:</u> Florida Statutes require the District to supply information about moneys placed in Qualified Public Depositories as well as maintaining minutes of all public meetings. The auditors	MW	N/A	N/A	Yes

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Downtown / Historic Ybor Tourism Marketing District (continued)	Hillsborough County (continued)	recommend that the District implement controls to ensure compliance with Florida Statutes. The auditors further recommend that the procedures be designed to identify compliance requirements and potential U.S. GAAP departures. (See PDF Page 29)				
		<u>2023-001 - Material Weakness in Internal Controls Related to Financial Close</u> : As part of the year-end close process for the current fiscal year, assessments receivable and related charges for services were incorrectly recorded, as well as accrued liabilities and the related expenditures. Additionally, the District did not complete bank reconciliations in a timely manner. Assessments receivable and the related general revenues were overstated by approximately \$274,000, and accounts payable and the related expenditures were overstated by approximately \$35,000. The auditors state that a lack of a formal financial close process led to the misstatement and incomplete bank reconciliations. The auditors recommend that a formal financial close process be implemented to include timely reconciliations and a detailed analytical review. (See PDF Page 28)	MW	N/A	N/A	Yes
Downtown Investment Authority	Duval County	<u>2023-001 - Accounting System Implementation</u> : The auditors found that financial records for many classes of transactions and account balances were not accurately completed on a timely basis. Financial reports were not in place to extract the financial information required and the financial information provided to the auditors required material correcting entries to be made in the following areas: (1) cash in escrow and with fiscal agents; (2) accounts receivable and due from independent agencies and other	MW	2024 (FY 2021-22)	The Authority does not expect this finding to be repeated for FY 2022-23. The City of Jacksonville, including the Authority (City), has made and continues to make extensive improvements to its ability to maintain up-to-date and accurate financial records since the simultaneous impacts in March 2020 of the ERP system conversion and the COVID-19 pandemic shut down. The City is proud of the progress it has made in replacing a system that was multiple decades old, especially since it is not unusual for large organizations to struggle for years with major	Yes

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Downtown Investment Authority (continued)	Duval County (continued)	governments; (3) revenues; (4) capital assets; (5) accounts payable and accrued liabilities; and (6) beginning fund balance. The new accounting system was not designed and implemented effectively such that it was not functioning sufficiently to maintain up-to-date and accurate financial records for most classes of transactions and account balances. The auditors recommend that the Authority continue to enhance the understanding and user abilities of the accounting system through further training and consultation with software providers. The auditors also recommend that the Authority ensure that sub-ledgers reconcile accurately to the general ledger and the fiscal year-end cutoff procedures are fully implemented and documented. (See PDF Page 41)			systems conversions even without a nationwide health crisis. This year, for the first time since going live with the new system, the City is on target to submit both the ACFR and Single Audit for FY 2022-23 by the June 30, 2024, statutory deadline. The City maintained its monthly and annual close processes on time throughout the fiscal year and implemented and documented new processes to yield proper and timely fiscal year-end cutoff procedures and reconciled sub-ledgers accurately to the general ledger. Most classes of transactions and account balances were completed on a timely basis as the City adhered to the auditors' requested deadline of submitting the City's trial balances to them by January 31, 2024. Additional details are included in the response letter. The City had a change in leadership in 2023 which brought increased energy and focus to resolving the system implementation challenges including engaging directly with the highest levels of Oracle leadership. This change in Administration brought three additional CPAs to the Finance and Administration Department in the key positions of CFO, Chief of IT, and Treasurer.	
Fred R. Wilson Memorial Law Library	Seminole County	<u>2023-3 - Enhance Financial Position of Library:</u> The auditors state that funding from Seminole County has been decreasing, and the Library must reduce costs or find ways to generate additional revenue to continue operating in the foreseeable future. (See PDF Page 23)	N/A	2024 (FY 2021-22)	The Library is no longer spending more than it is earning. However, the Library must continue to find ways to generate additional revenue in the future. The Trustees have been discussing funding sources and options with the Board of County Commissioners and all parties have plans to ensure funding continues.	Yes
Hillsborough Soil and Water Conservation District	Hillsborough County	<u>2021-01 - Internal Control over Financial Reporting:</u> The District relies on the external auditors to assist with preparing and explaining financial statements in conformity with generally accepted accounting principles (GAAP) because the District is limited by its	SD	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?
Hillsborough Soil and Water Conservation District (continued)	Hillsborough County (continued)	overall small size. It is not cost effective for the District to develop and maintain a system of internal accounting control sufficient by itself to allow the preparation of financial statements in accordance with GAAP, nor to maintain internal staff with sufficient knowledge to develop and maintain controls to prevent, detect, or correct misstatements in audited financial statements. The auditors state that the Board is actively involved in the review and management of the financial position of the District. The auditors recommend the Board continue to actively monitor the activities of the District to maintain a system of proper checks and balances. (See PDF Page 21)				
Hillsborough Transit Authority	Hillsborough County	<p><u>2023-001 - Material Weakness in Internal Control over Financial Reporting:</u> During the current fiscal year and subsequent to fiscal year-end, there was a strain on the Authority's current personnel to complete their responsibilities in an accurate and timely manner. For example, the auditors noted that there was a significant increase in the time required to close the year-end books with management providing several versions of the trial balance before ultimately providing the final version in March 2024. During the audit, the auditors discovered it was necessary for management to record several post-closing journal entries to various accounts in order to properly reflect transactions of the fiscal period:</p> <p>(1) A post-closing entry of approximately \$792,000 was made to reclass the payroll accrual previously recorded as an adjustment to cash, to increase cash and increase accrued expenses;</p>	MW	N/A	N/A	Yes

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

SPECIAL DISTRICTS

**Local Governmental Entities That Failed to Take Full Corrective Action in Response to a Recommendation  
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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?
Hillsborough Transit Authority (continued)	Hillsborough County (continued)	<p>(2) In reviewing trade receivables, the auditors noted that approximately \$433,000 was recorded as receivables in relationship to amounts received through Flamingo Fares transactions, with an offsetting amount of approximately \$433,000 posted to accounts payable. Inquiry into this amount determined that these amounts were not due from an external party, but rather were due from cash accounts operated by the Authority and should be reversed as part of the financial statement preparation process. Management declined to post the reversing entry; and</p> <p>(3) As the result of communication with legal counsel, it was noted that a 401a plan in the name of the Authority was incorrectly established, and the corresponding wind-down of that plan will create a liability of approximately \$200,000. Management declined to post the entry for this liability.</p> <p>In addition, after providing the trial balance to the auditors, management provided a post-closing entry in the amount of approximately \$2,120,000 to reverse amounts accrued for alternative fuel tax credits that the Authority was not eligible for, thus reducing both nonoperating revenue and accounts receivable. The auditors noted that, due to the level of staffing and increased responsibilities of finance department personnel, financial reports and related reconciliations were not prepared, reviewed, and recorded in a timely manner, which resulted in amounts not being accurately reported. The auditors recommend that the Authority assess the number of personnel needed by the finance department to accurately and timely complete its interim and year-end financial reporting.</p>				

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SPECIAL DISTRICTS

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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?
Hillsborough Transit Authority (continued)	Hillsborough County (continued)	In addition, the auditors recommend that, in the absence of proper staffing, management reevaluate roles and responsibilities to ensure that staff can perform their duties and maintain a segregation of duties. (See PDF Page 123)				
Jacksonville International Airport Area Redevelopment Agency	Duval County	<u>2023-001 - Accounting System Implementation</u> : The auditors found that financial records for many classes of transactions and account balances were not accurately completed on a timely basis. Financial reports were not in place to extract the financial information required and the financial information provided to the auditors required material correcting entries to be made in the following areas: (1) cash in escrow and with fiscal agents; (2) accounts receivable and due from independent agencies and other governments; (3) revenues; (4) capital assets; (5) accounts payable and accrued liabilities; and (6) beginning fund balance. The new accounting system was not designed and implemented effectively such that it was not functioning sufficiently to maintain up-to-date and accurate financial records for most classes of transactions and account balances. The auditors recommend that the Agency continue to enhance the understanding and user abilities of the accounting system through further training and consultation with software providers. The auditors also recommend that the Agency ensure that sub-ledgers reconcile accurately to the general ledger and the fiscal year-end cutoff procedures are fully implemented and documented. (See PDF Page 36)	MW	N/A	Agency dissolved 9-30-2023	No

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SPECIAL DISTRICTS

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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?
Keystone Heights Community Redevelopment Agency	Clay County	<p><u>2023-1 - Status of Unspent Funds at Year End:</u> Section 163.387, Florida Statutes, requires that on the last day of a Community Redevelopment Agency (CRA)'s fiscal year, any moneys remaining in the CRA's trust fund after the payment of expenses pursuant to State law shall be administered through one of the following: (1) Returned to each taxing authority which paid the increment in the proportion that the amount of the payment of such taxing authority bears to the total amount paid into the trust fund by all taxing authorities for that year; (2) Used to reduce the amount of any indebtedness to which increment revenues are pledged; (3) Deposited into an escrow account for the purpose of later reducing any indebtedness to which increment revenues were pledged; or (4) Appropriated to a specific redevelopment project pursuant to an approved community redevelopment plan. Moneys remaining in the Agency's trust fund on the last day of the Agency's fiscal year totaled \$281,204. The auditors' review of Agency records and discussions with City of Keystone Heights' personnel disclosed that the Agency included \$290,000 as a carryover in the following year budget; however, the Agency did not demonstrate that the moneys remaining in the Agency's trust fund were appropriated to a specific project or otherwise disposed of in accordance with State law. The auditors recommend that the Agency maintain records evidencing that moneys remaining in the Agency's trust fund at the end of the fiscal year were either obligated for purposes authorized by State law or returned to the applicable taxing authorities that contributed tax financing moneys. (See PDF Page 26)</p>	N/A	N/A	N/A	Yes

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SPECIAL DISTRICTS

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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?
Keystone Heights Community Redevelopment Agency (continued)	Clay County (continued)	<u>2023-2 - Reimburse the City for Administrative Services:</u> The auditors noted that there were no costs associated with the administration of the Agency. The auditors recommend that the Agency reimburse the City for a reasonable amount (i.e., \$5,000 - \$10,000) each year to cover the costs of the administration of the Agency, which includes the accounting services of the Agency (maintaining the general ledger, preparing budgets, writing checks, handling deposits, and preparing budget to actual interim financial reports). (See PDF Page 29)	N/A	N/A	N/A	Yes
KingSoutel Crossing Community Redevelopment Agency	Duval County	<u>2023-001 - Accounting System Implementation:</u> The auditors found that financial records for many classes of transactions and account balances were not accurately completed on a timely basis. Financial reports were not in place to extract the financial information required and the financial information provided to the auditors required material correcting entries to be made in the following areas: (1) cash in escrow and with fiscal agents; (2) accounts receivable and due from independent agencies and other governments; (3) revenues; (4) capital assets; (5) accounts payable and accrued liabilities; and (6) beginning fund balance. The new accounting system was not designed and implemented effectively such that it was not functioning sufficiently to maintain up-to-date and accurate financial records for most classes of transactions and account balances. The auditors recommend that the Agency continue to enhance the understanding and user abilities of the accounting system through further training and consultation with software providers. The auditors also recommend that the Agency ensure sub-ledgers reconcile accurately to the general ledger and the fiscal year-end cutoff	MW	2024 (FY 2021-22)	The Agency does not expect this finding to be repeated for FY 2022-23. The City of Jacksonville, including the Agency (City), has made and continues to make extensive improvements to its ability to maintain up-to-date and accurate financial records since the simultaneous impacts in March 2020 of the ERP system conversion and the COVID-19 pandemic shut down. The City is proud of the progress it has made in replacing a system that was multiple decades old, especially since it is not unusual for large organizations to struggle for years with major systems conversions even without a nationwide health crisis. This year, for the first time since going live with the new system, the City is on target to submit both its ACFR and Single Audit for FY2023 by the June 30, 2024, statutory deadline. The City maintained its monthly and annual close processes on time throughout the fiscal year and implemented and documented new processes to yield proper and timely fiscal year-end cutoff procedures and reconciled sub-ledgers accurately to the general ledger. Most classes of transactions and account balances were completed on a timely basis as the City adhered to the auditors' requested deadline of submitting the City's trial balances to them by January 31, 2024. Additional details	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?
KingSoutel Crossing Community Redevelopment Agency (continued)	Duval County (continued)	procedures are fully implemented and documented. (See PDF Page 30)			are included in the response letter. The City had a change in leadership in 2023 which brought increased energy and focus to resolving the system implementation challenges including engaging directly with the highest levels of Oracle leadership. This change in Administration brought three additional CPAs to the Finance and Administration Department in the key positions of CFO, Chief of IT, and Treasurer.	
Lake Lucie Community Development District	St. Lucie County	<u>2020-02 - Transparency Requirements:</u> The District's budgets were not posted to the District website. Section 189.016(4), Florida Statutes, requires that the final adopted budget be posted within 30 days after adoption and remain on the website for at least 2 years. The auditors state that subsequent to fiscal year-end, the 2022-23 fiscal year budget was posted to the District's new website. (See PDF Page 29)	N/A	N/A	N/A	Yes
Lake Region Lakes Management District	Polk County	<u>2023-001 - Audit Adjustments:</u> District management is responsible for establishing and maintaining internal controls for the proper recording of all the District's receipts and disbursements, including year-end accruals, and activity of all cash and investment accounts. As part of the audit, the auditors proposed audit adjustments to revise the District's books at year-end. These adjustments involved the recording of accruals and reclassifications of revenues and disbursements to the proper accounts. The District maintains its records on the cash basis and relies on the auditor to propose adjustments to convert from the cash basis to modified accrual basis. The District's lack of knowledge of generally accepted accounting principles (GAAP) increases the risk that the financial statements could be materially misstated as a whole.	MW	2024 (FY 2021-22)	The District has had numerous discussions with the auditors and is comfortable with the system as it is. The District's position on the recording of accruals is that, as a small entity with a relatively small budget, the District uses the cash system of recording. There are times at the end of the budget year that the District might have received a good or service but the bill for this did not arrive until into the next budget year. This item or service was budgeted for the previous year and should be billed into that previous year. At the end of the budget year, the District makes a list of these few bills, and this list is supplied to the auditors, telling them to record this into the previous year as an expense. The financial statement then shows that this item, which was purchased in the previous year and was likely used in the previous year, is shown as having been billed to the previous year, out of the previous year's	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?
Lake Region Lakes Management District (continued)	Polk County (continued)	Financial statements would be materially misstated if significant adjustments were not made. The design of the controls over the financial reporting process affects the District's ability to report its financial data consistent with the assertions of management. The auditors understand that the comment for annual audit adjustments is a material weakness that is already known to management and represents a conscious decision by management and the Board to accept that degree of risk because of cost or other considerations. The auditors recommend that the District engage assistance in ensuring that all adjustments are properly recorded in the accounting records pursuant to GAAP. (See PDF Page 36)			budget. Nothing was misstated nor fraudulently reported, nor was an asset misappropriated. This is something which happens only once a year on a very few checks, and the District does not see the need to hire someone on a yearly basis to do twelve monthly reports.	
Lake Soil and Water Conservation District	Lake County	<u>2021-01 - Financial Reporting:</u> The District relies on the external auditors to assist with preparing the financial statements and related notes in conformity with generally accepted accounting principles (GAAP) because the District has a small staff necessitated by its overall small size. It is not considered cost effective to develop and maintain a system of internal controls over financial reporting sufficient enough to allow the preparation of financial statements in accordance with GAAP, nor to maintain internal staff with sufficient knowledge to develop and maintain controls to prevent, detect, or correct misstatements in audited financial statements. Since the auditors cannot be a part an entity's system of internal controls, the District's system of internal controls over financial reporting is not sufficient by itself to prevent, detect, or correct misstatements in the audited financial statements. The auditors recommend that the District consider the effects of the cost and benefits of	SD	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?
Lake Soil and Water Conservation District (continued)	Lake County (continued)	implementing such a system with the understanding that, due to the size of the District, it will need external assistance with preparation and understanding of financial statements in accordance with GAAP. (See PDF Page 28)				
		<u>2021-02 - Accounting Records and Software</u> : The District maintains its financial activity in manually prepared reports based off activity in the District's three bank accounts. Therefore, the District cannot produce a general ledger, trial balance, or facilitate the preparation of financial statements without manually adding up deposits, checks, and electronic payments for the fiscal year. Also, there are no reconciliation procedures available to prevent and detect errors in the manual creation of financial data. The District relies on the external auditors to summarize the monthly financials and create a trial balance based off of the manually prepared reports in order to prepare the financial statements and disclosures in accordance with generally accepted accounting principles. The auditors recommend that the District consider acquiring and implementing an accounting software (such as QuickBooks) or consider the cost of utilizing a third-party bookkeeper to prepare accounting entries on periodic basis (monthly, quarterly, or annually). (See PDF Page 29)	SD	N/A	N/A	Yes
Leon County Educational Facilities Authority	Leon County	<u>2023-001 - Fixed Charges Coverage Ratio</u> : The loan agreement related to the financing of the Heritage Grove Project requires that the project be operated in such a manner that the Fixed Charges Coverage Ratio (Ratio) be at least 1.2. In the event that it falls below the 1.2, LCEFA Ocala Road, LLC is required to engage a	N/A	2024 (FY 2021-22)	On August 2, 2022, the Authority entered into an amended settlement agreement with the Trustee and Emres, the assignee of EMET, holder of 100% of the outstanding Series 2003 Bonds and Administrative rights. The Agreement provides for Emres to use best efforts to provide funding up to \$16,000,000 for remediation, renovation and	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?
Leon County Educational Facilities Authority (continued)	Leon County (continued)	financial consultant to submit a report containing recommendations to remedy the Ratio noncompliance. In no event shall the Ratio fall below 1.00. The Ratio for the current fiscal year was (1.10). Since the Ratio is less than 1.00, an event of default is deemed to have occurred as defined in Section 1001 of the Trust Indenture. (See PDF Page 39)			improvements of the Heritage Grove property within 18 months of the date of the Amended Settlement Agreement. As of September 30, 2022, Emres has advanced \$16,487,316 for such purposes. The Amended Settlement Agreement also establishes that the foreclosure action referenced in the original Settlement Agreement shall remain pending for an additional period of time but no later than October 31, 2024.  On October 7, 2022, subsequent to the Authority's fiscal year-end, the court ordered receivership over LCEFA Ocala Road, LLC (the LLC) was terminated, and the court-appointed receiver discharged from any and all continuing duties. The Authority executed a revocable delegation agreement that granted the Bondholder broad authority and indemnified the Authority. Per the agreements dated August 2, 2022, for both Southgate and LCEFA Ocala Road, LLC, the Authority has agreed to transfer the Authority's interest in the properties of both funds as of October 31, 2024, to the bondholders in relief of all outstanding debt and interest for these properties.	
		<u>2023-002 - Operating and Debt Service Reserve Requirements:</u> The Trust Indenture requires that LCEFA Ocala Road, LLC maintain an "Operating reserve fund" of \$500,000. At September 30, 2020, the "Operating reserve fund" had not been funded. In addition, the Trust Indenture requires the balance of the debt service reserve fund be equal to or greater than the current debt service requirement for the bonds. At fiscal year-end, the amount deposited in the debt service reserve fund was \$176, which was less than the debt service requirement. (See PDF Page 40)	N/A	2024 (FY 2021-22)	See response to Finding #2023-001 above. In addition, the Debt Service Reserve Requirement has been waived by the Bondholder for FY 2022, 2023, and 2024.	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?
Leon County Educational Facilities Authority (continued)	Leon County (continued)	<u>2023-003 - Deteriorating Financial Condition</u> : The results of the auditors' financial condition assessment procedures produced results indicating a deteriorating financial condition evidenced by unfavorable financial indicators, including income from operations that are insufficient to cover annual debt service; a deficit in the net position representing the Authority's investment in capital assets net of related debt, a deficit in the Authority's unrestricted net position, the mounting long-term liabilities for the Southgate Fund, and current liabilities in excess of current assets in the LCEFA Ocala Road, LLC Fund resulting from the classification of long-term debt as current due to noncompliance with certain debt covenants associated with the Fund's 2003 bond series. These conditions have resulted from a number of factors including: (1) structural damage from original construction of facilities at LCEFA Ocala Road, LLC including legal and maintenance fees incurred during the litigation proceedings against the contractors, (2) accrued interest on the Southgate Series B bonds, and (3) bonded debt in excess of the carrying value of the collateralized property. During the fiscal year ended September 30, 2022, the Authority negotiated settlement agreements with the Bondholder for LCEFA Ocala Road, LLC and Southgate Funds to complete foreclosure actions and assignment of mortgage at the latest date of October 31, 2024. This settlement agreement will transfer the rights and property for both Funds to the Bondholder, and the Bondholder will forgive all outstanding debt and interest related to these properties within these Funds. (See PDF Page 42)	N/A	2024 (FY 2021-22)	See response to Finding #2023-001 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?
Liberty Fire District	Walton County	<u>2023-01 - Budget was not formally adopted by the Board:</u> The budget that the District presented was not formally adopted by the District's entire Board. The District could not provide evidence that a budget was adopted by the Board. Expenditures were in excess of budgeted amounts. The auditor recommends that the District's Board formally adopt a budget as directed in Section 189.016, Florida Statutes. (See PDF Page 37)	MW	N/A	N/A	Yes
		<u>2023-05 - Board members voted on District disbursements involving related parties:</u> Board members voted to approve disbursements for recruiting and retention incentives which benefited themselves and family members. The auditor recommends that the District contact the Florida Commission on Ethics for an official ruling on the District's specific conflict in regards to disbursing District funds to Board members and related parties, The auditor noted that the District has specific conflicts due to the SAFER Grant which are complex, The auditor further recommended that the District consult legal assistance as needed. (See PDF Page 38)	MW	N/A	N/A	Yes
		<u>2023-06 - Failure to maintain personnel, training and grant documents:</u> During the audit, the auditor could not obtain evidence that the District maintained detailed organized personnel, training, and grant documentation. The auditor recommends that the District maintain detailed and organized records as defined in the Florida Statutes. (See PDF Pages 35 and 38)	SD	N/A	N/A	Yes
		<u>2023-03 - The District's website does not comply with Florida Statutes in regard to content:</u> The District's website does not comply with Section 189.064, Florida	SD	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?
Liberty Fire District (continued)	Walton County (continued)	Statutes, in regards to content. The auditor recommends that the District obtain information technology assistance with maintaining the District's website. In addition, the auditor recommends that the District undergo a study of missing required information and develop a plan to ensure all required information is disclosed going forward as required by law. (See PDF Page 37)				
Marion County Law Library	Marion County	<u>2023-3 - Annual Budget:</u> The Library is an independent special district, subject to Section 189.016(3), Florida Statutes, which states that each special district adopt a budget by resolution each fiscal year and that the adopted budget must regulate expenditures of the special district and that an officer of a special district may not expend or contract for expenditures in any fiscal year except pursuant to the adopted budget. Further, Section 189.016(6), Florida Statutes, states that each special district may amend the budget at any time within the fiscal year or within 60 days following the end of the fiscal year. The auditors noted that there was no approved District budget for the 2022-23 fiscal year. The auditors recommend that the Library review the requirements of Florida Statutes related to budgeting and ensure procedures are established to timely adopt and amend the annual budget, as well as other budget requirements under Florida Statutes. (See PDF Page 24)	N/A	N/A	Library dissolved 6-1-2023	No
		<u>2023-2 - Financial Reporting:</u> During the audit, several adjustments were needed to correct entries related to the reclassification of expenses, revenue classifications, and liability adjustments. The auditors noted that these entries could have been captured through routine	N/A	N/A	Library dissolved 6-1-2023	No

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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?
Marion County Law Library (continued)	Marion County (continued)	review of financial reports throughout the year. The auditors recommend that the Library develop procedures for timely and accurate financial reporting and a thorough documented supervisory review of the financial statements and related reconciliations and support data. The auditors further state that the Library may consider outsourcing components of the accounting functions to achieve the necessary level of internal control to ensure timely and accurate financial reporting. (See PDF Page 24)				
		2023-1 - Segregation of Duties: The auditors noted that the Library's accounting function is primarily handled by one employee, who is often handling complete accounting cycles and has access to the complete accounting system, including handling of cash receipts, and reporting of cash receipts without a system to reconcile collections to recorded amounts, processing cash disbursements, and reconciling bank and financial statement accounts. These matters lead to a risk that misstatement or fraudulent activity could occur and not be prevented, or detected and corrected, on a timely basis. The auditors state that the Library is typical of most small organizations wherein it is not economically feasible to hire all required staff needed to separate duties. The auditors recommend that the Library determine appropriate alternative procedures; for instance, incorporating the Senior Circuit Judge and the Board of Trustees in the financial operations processes, by providing continuous oversight and independent documented reviews of accounting and administrative staff functions, or contracting with individuals to supplement the needed level of safeguards. (See PDF Page 24)	MW	N/A	Library dissolved 6-1-2023	No

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Meadow Pointe IV Community Development District	Pasco County	<u>2023-01 - Failure to Make Debt Service Payment When Due:</u> The Series 2004, 2005, 2007, and 2012 Bonds require semiannual interest and principal payments per the Bond Indenture. In the current and prior years, interest and principal were not paid on the bonds, respectively. In prior years, debt service assessments were not being paid. The Bonds were cancelled in the current year. In the current and prior fiscal years, certain debt service payments due on the Series 2014 Bonds were not paid, creating additional incidents of default. The auditors recommend that the District utilize all legal remedies available to collect delinquent assessments to bring debt service payments current. (See PDF Page 36)	N/A	2024 (FY 2021-22)	In a prior year, the Trustee, on behalf of the bondholders, created a Special Purpose Entity ("SPE") to own, manage and dispose of the land taken in lieu of foreclosure. The District, the Trustee, and the SPE entered into various tri-party agreements and restructuring agreements and restructured portions of the bonds, but still left some bonds unexchanged. As the developer continues to sell lots, funds are remitted to the Trustee to pay principal and interest on the unexchanged bonds. The principal on the unexchanged bonds is in forbearance until the maturity date. In December 2022, the Trustee made final distributions of funds for the S2004A, S2005, S2007A, S2007B, and S2012B-2 bonds. Additionally, the S2004A, S2005, S2007A, S2007B, and S2012B-2 bonds were deemed null, void, and worthless. No future payments will be made on these bonds.	Yes
Moore Haven Mosquito Control District	Glades County	<u>2023-001 - Annual Financial Reporting Under Generally Accepted Accounting Principles:</u> The District does not have an internal control policy in place over annual financial reporting that would enable the District to ensure its annual financial statements and related footnote disclosures are complete and presented in accordance with generally accepted accounting principles. The District contracted with the audit firm to prepare the annual financial statements and related note disclosures; however, the District has reviewed and approved the annual financial statements and the related note disclosures. The auditors recommend that the District management continue to evaluate the internal staff capacity to determine if an internal control policy over the annual financial reporting is beneficial. (See PDF Page 43)	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?
Moore Haven Mosquito Control District (continued)	Glades County (continued)	<u>2023-002 - Material Audit Adjustments:</u> As part of the audit, the auditors proposed audit adjustments to revise the District's financial statements at fiscal year-end. These adjustments involved the adjusting of inventory to actual balances at fiscal year-end, adjustments to accrued payroll liability accounts, and fund balance adjustments and reclassifications. The District has a limited number of personnel and some accounts do not get reconciled properly due to time constraints. The auditors understand that this material weakness is already known to District management and represents a conscious decision by the District and the Board to accept that degree of risk because of cost or other considerations. The auditors acknowledge the fact that management is responsible for making decisions concerning costs and the related benefits; the auditors are responsible to communicate significant deficiencies and material weaknesses in accordance with professional standards, regardless of District management's decisions, to ensure that the Board is aware of this situation. (See PDF Page 44)	MW	N/A	N/A	Yes
Municipal Service District of Ponte Vedra Beach	St. Johns County	<u>2023-001 - Financial Reporting:</u> Financial statements must be presented in accordance with generally accepted accounting principles (GAAP). As a part of the audit process, it was necessary to propose material adjustments to the financial statement because prior year audit adjustments were not posted and accounts payable was not recorded properly. The auditors' proposed adjustments were accepted by District management, enabling the financial statements to be fairly presented in conformity with GAAP. The auditors recommend that the District consider and evaluate the costs and benefits of improving internal controls	MW	2024 (FY 2021-22)	The District's Board is composed of seven Trustees elected for a four-year term. The Board makes every effort to serve as conservative stewards of its constituents' tax dollars while also ensuring proper performance of its fiduciary duties. As a result, the Board has only one employee, a part-time secretary/bookkeeper and firmly believe that sufficient controls are in place to safeguard expenditures on behalf of the residents. Additional details regarding District procedures are included in the response letter. The issue underlying the auditor's comment concerns the manner in which the Board records expenditures for invoices paid in a fiscal year for services provided in the	Yes

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SPECIAL DISTRICTS

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Municipal Service District of Ponte Vedra Beach (continued)	St. Johns County (continued)	relative to the financial reporting process. (See PDF Page 31)			past fiscal year. Currently, the Board records the expenditure in the fiscal year in which it is paid. However, the audit firm disagrees with this practice and recommends the following corrective action. First, when the Board pays an invoice in October for work performed in September, the bookkeeper should go back to the prior fiscal year to credit Accounts Payable and debit the vendor's account. Next, the bookkeeper should credit Cash in the current fiscal year and debit Accounts Payable. The Board will comply with this recommendation as "full corrective action."	
Panama City Beach Community Redevelopment Agency	Bay County	<u>2023-001 - Budget Administration:</u> The Agency did not submit its original 2022-23 fiscal year annual budget to the Bay County Board of County Commissioners within 10 days after adoption. Section 163.387(6)(b), Florida Statutes, states that "A community redevelopment agency created by a municipality shall submit its annual budget to the board of county commissioners for the county in which the agency is located within 10 days after the adoption of such budget and submit amendments of its annual budget to the board of county commissioners within 10 days after the adoption date of the amended budget." The auditors recommend that the Agency implement procedures to ensure compliance with all applicable requirements. (See PDF Page 30)	N/A	2024 (FY 2021-22)	The CRA has implemented corrective measures to ensure timeliness of the submission [by using] automated calendar reminders to the City Clerk and the finance director. This finding will not be included in the audit report for FY 2022-23. The amended FY 2022-23 annual budget was adopted on September 14, 2023, and submitted to Bay County Board of County Commissioner within the 10-day requirement, on September 19, 2023.	Yes
Port Orange Town Center	Volusia County	<u>2023-001 - Financial Condition:</u> The CRA's fund balance at fiscal year-end was a deficit of \$4,439,843. While sufficient funding is available in the City of Port Orange's (City) general fund to absorb such losses and the deficit is expected to be largely recovered by a future sale of capital assets, the auditors recommend	N/A	2024 (FY 2021-22)	The City issued a Request for Proposals in 2021 for the development of the riverfront land within the Town Center CRA that the CRA has acquired and bundled over the last several years that has been held for sale. The successful developer has provided a contract to the CRA for the sale of this land. Once the land sale has been finalized which is	Yes

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Port Orange Town Center (continued)	Volusia County (continued)	that the CRA and the City ensure the potential future need for such a subsidy to be required to be continuously factored into all future City budget considerations as it relates to the CRA. (See PDF Page 22)			anticipated to occur in late 2024, the proceeds from this sale will retire the outstanding debt and eliminate the deficient fund balance.	
Portofino Isles Community Development District	St. Lucie County	<u>2022-01 - Financial Condition Assessment</u> : The debt service fund had a deficit fund balance of \$5,483,118 at fiscal year-end. 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 payments were made, in part, by draws on the debt service Reserve Account. Therefore, the reserve requirement has not been met. Furthermore, the District did not have sufficient funds to make the debt service payments due on the Series 2005 Bonds so the payments were not made. The failures by the District to pay its debt service are considered events of default. As a result of the delinquent assessments, and in lieu of foreclosure, during the prior fiscal year, a special purpose entity (SPE) was created to own, manage, maintain, and dispose of the Property comprised by the delinquent Series 2005 Assessments (Property) for the benefit of the Trust Estate. Consequently, during a prior fiscal year, the title to the Property was conveyed to the SPE with all rights and privileges pertaining to or accruing to the benefit of the Property. The auditors recommend that the District continue to take the necessary steps to alleviate the deteriorating financial condition. (See PDF Page 33)	N/A	2024 (FY 2021- 22)	Prior years' correspondence described the history and 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. 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. <u>Most recent status</u> : There has been no material additional corrective action taken by the District from what was provided in the prior year response.	Yes

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Portofino Vista Community Development District	Osceola County	<u>2023-01 - Financial Condition Assessment</u> : The Developer owns almost all of the benefitted property associated with the Series 2006 Bonds. The Developer has not paid its share of assessments for prior, current, and subsequent fiscal years, and as result, the District did not have sufficient funds to make the Series 2006A and Series 2006B debt service payments due on May 1, 2010, or during the 2011 to 2023 fiscal years, as applicable; consequently, the payments were not made. The District's failure to make scheduled debt service payments, when due, are considered events of default. The District also has deficits in the debt service reserve funds. Furthermore, the District reported deficit fund balance of \$6,054,184 in the debt service fund. The auditors recommend that the District take the necessary steps to alleviate the deteriorating financial condition. (See PDF Page 32)	N/A	2024 (FY 2021- 22)	Prior years' correspondence described the history and status of the District: The 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. 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. <u>Most recent status</u> : There has been no material additional corrective action taken by the District from what was provided in the prior year response.	Yes
Renew Arlington Community Redevelopment Agency	Duval County	<u>2023-001 - Accounting System Implementation</u> : The auditors found that financial records for most classes of transactions and account balances were not accurately completed on a timely basis. Financial reports were not in place to extract the financial information required and the financial information provided to the auditors required material correcting entries to be made in the following areas: (1) cash in escrow and with fiscal agents; (2) accounts receivable and due from independent agencies and other governments; (3) revenues; (4) capital assets; (5) accounts payable and accrued liabilities; and (6) beginning fund balance. The new accounting system was not designed and implemented effectively such that it was not	MW	2024 (FY 2021- 22)	The Agency does not expect this finding to be repeated for FY 2022-23. The City of Jacksonville, including the Agency (City), has made and continue to make extensive improvements to its ability to maintain up-to-date and accurate financial records since the simultaneous impacts in March 2020 of the ERP system conversion and the COVID-19 pandemic shut down. The City is proud of the progress it has made in replacing a system that was multiple decades old, especially since it is not unusual for large organizations to struggle for years with major systems conversions even without a nationwide health crisis. This year, for the first time since going live with the new system, the City is on target to submit both its ACFR and Single Audit for FY 2022-23 by the June 30, 2024,	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?
Renew Arlington Community Redevelopment Agency (continued)	Duval County (continued)	functioning sufficiently to maintain up-to-date and accurate financial records for most classes of transactions and account balances. The auditors recommend that the Agency continue to enhance the understanding and user abilities of the accounting system through further training and consultation with software providers. The auditors also recommend that the Agency ensure sub-ledgers reconcile accurately to the general ledger and the fiscal year-end cutoff procedures are fully implemented and documented. (See PDF Page 31)			statutory deadline. The City maintained its monthly and annual close processes on time throughout the fiscal year and implemented and documented new processes to yield proper and timely fiscal year-end cutoff procedures and reconciled sub-ledgers accurately to the general ledger. Most classes of transactions and account balances were completed on a timely basis as the City adhered to the auditors' requested deadline of submitting the City's trial balances to them by January 31, 2024. Additional details are included in the response letter. The City had a change in leadership in 2023 which brought increased energy and focus to resolving the system implementation challenges including engaging directly with the highest levels of Oracle leadership. This change in Administration brought three additional CPAs to the Finance and Administration Department in the key positions of CFO, Chief of IT, and Treasurer.	
Reunion East Community Development District	Osceola County	<u>2023-01 - Financial Condition Assessment</u> : The prior Developer failed to pay assessments on both the Series 2002 and 2005 Bonds, and there are currently no special assessment revenues pledged to the Series 2002 and 2005 Bonds. The District did not make any of the scheduled debt service payments on the Series 2002 and 2005 Bonds during the current fiscal year. Also, the District is not in compliance with the reserve requirements for the Series 2002 and 2005 Bonds. In addition, the debt service fund reported a deficit fund balance of \$14,413,217 at fiscal year-end. The auditors recommend that the District continue to take the necessary steps to alleviate the situation. (See PDF Page 34)	N/A	2024 (FY 2021- 22)	Prior years' correspondence stated that the District issued the Series 2015, Special Assessment Refunding Bonds, in order to refund the defaulted Special Assessment Bonds, Series 2002A-2 and Series 2005 Bonds (Prior Bonds). However, at the request of the debt holders of the Prior Bonds, the Series 2015 Bonds did not refund 100% of the Prior Bonds; a portion of the Prior Bonds remains outstanding and in a defaulted state. Therefore, the audit findings will continue until the full cancellation of the Prior Bonds is completed. The District is continuing to pursue resolution to this matter. A Bond exchange and the Series 2015 Bond issue provided the District with the opportunity for the orderly and continued development of a portion of the Reunion development within the District, permitted the District to resolve delinquencies related with the exchanged bonds, and provided the District additional time	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?
Reunion East Community Development District (continued)	Osceola County (continued)				within which to retire the obligations originally evidence by exchanged bonds. <u>Most recent status</u> : There has been no material additional corrective action taken by the District from what was provided in the prior year response, and the District continues to work with all interested parties to provide a resolution to this matter. Also, it is important to note that the District continues to collect sufficient annual assessments to fully fund the operating expense and debt service payments on the Series 2021 Bonds and the Series 2015A Bonds. The District does not require any financial assistance from the State of Florida.	
Riverwood Estates Community Development District	Pasco County	<u>12-01 - Failure to Make Debt Service Payment When Due</u> : In the current and prior years, interest and principal was not paid on the Series 2006 Bonds. The Trustee has directed the District not to collect debt service special assessments. The District, therefore, is not receiving debt service assessments due to the developer's nonpayment and the Special Purpose Entity (SPE) purchase of the land within the District. As of fiscal year-end, the District was not in compliance with the requirements of the bond indenture and has met a financial emergency condition as described in Section 218.503(1), Florida Statutes. The auditors recommend that the District utilize all remedies available to bring debt service payments current. (See PDF Page 33)	N/A	2024 (FY 2021-22)	The Trustee formed a Special Purpose Entity (SPE) to hold, manage, and dispose of the property on behalf of the Bondholders. The SPE took title to the Developer property through a credit bid sale. In a prior year, the interests in the SPE were assigned to Riverwood Estates Management, LLC, and the SPE agreement was terminated. The Developer has assumed the responsibility of funding the Operation and Maintenance of the District. The past due and future debt service payments are being held in abeyance until the Trustee notifies the District to the contrary. On November 1, 2023, the SPE sold the property to JEN Tampa 10 LLC. In connection with the sale of the property, the defaulted assessments on both the Series 2006A and 2006B Bonds were brought current and, with the consent of the Trustee and the Bondholders, all penalties, acceleration, or additional sums that may be due and owing for either series of bonds were forgiven.	Yes
		<u>12-02 - Failure to Meet Debt Service Reserve Account Requirement</u> : The District was not in compliance with certain provisions of the Bond Indentures in that the District did not maintain the required reserve	N/A	2024 (FY 2021-22)	The Developer has assumed responsibility for the operations and maintenance of the District. In prior years, the Trustee, on behalf of the Bondholders, was funding the SPE using bond proceeds, including amounts in the Debt	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?
Riverwood Estates Community Development District (continued)	Pasco County (continued)	requirement. Reserve funds were utilized in a prior year to make certain debt service payments at the request of the bondholders. (See PDF Page 32)			Service Reserve Account, to fund the District. This has resulted in the deficiency in the Debt Service Reserve account. The deficiency will remain until the Trustee instructs the District otherwise. The District and the Trustee approved and signed an amendment to the First Supplemental Trust Indenture removing the requirement for a reserve account for both the Series 2006A and 2006B Bonds. As a result, there should no longer be a finding of a reserve account deficiency in future years.	
		<u>12-03 - Failure to Include Component Unit Financial Statement in the Financial Report:</u> The Special Purpose Entity (SPE) is not included as a component unit in the District's financial report as required by generally accepted accounting principles. Due to the lack of control by the District and that the SPE's primary beneficiary is the bondholders, the District's position is that the SPE is not a component unit of the District. The auditors could not audit the records or include the SPE as a discretely-presented component unit in the District's government-wide financial statements. The auditors recommend that the District include the SPE as a discretely-presented component unit in the District's government-wide financial statements. (See PDF Page 34)	N/A	2024 (FY 2021-22)	Management does not agree that the SPEs should be included as blended component units on the government-wide financial statements. [Committee staff note: The auditor recommended, in the 2016-17 through 2021-22 fiscal year audit reports, that the District include the SPE as a discretely presented component unit, not a blended component.] In summary, management feels that it would be misleading to the users of the financial statements to include the SPEs as component units for the following reasons: (1) The District has no ownership and/or control over the SPEs and in no way can it impose its will on the SPEs; (2) The District will not benefit from the activities of the SPEs; (3) When the land held by the SPEs is sold, the proceeds will not be paid to the District for any purpose; and (4) The District will not be responsible for any deficiency between the net proceeds of the sale of the SPE-owned land and the associated Bond debt not satisfied or secured by assessments. In light of the SPEs' sale of the property, the bonds being brought current, and the reserve account requirement being removed, it is the District's expectation that this finding will not occur in future years.	Yes



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South Village Community Development District	Clay County	<u>21-01 - Budget Administration</u> : The actual expenditures of the General and Special Revenue Funds exceeded the approved budgeted amounts in violation of Section 189.016, Florida Statutes, for the current fiscal year. The auditors recommend that the District monitor expenditures in future years to ensure that actual expenditures do not exceed the budget. (See PDF Page 43)	N/A	N/A	N/A	Yes
St. Lucie County Fire District	St. Lucie County	<u>2021-1 - Accounts Receivable</u> : During the course of the audit, the auditors noted that the current billing system does not allow for a proper aging of accounts receivable balances. The auditors state that an accurate aging is critical financial information to allow for a review of accounts and improve collection efforts, as well as determine an estimate of allowance for doubtful accounts. (See PDF Page 62)	N/A	N/A	N/A	Yes
Sterling Hill Community Development District	Hernando County	<u>12-03 - Failure to Meet Debt Reserve Account Requirements</u> : At fiscal year-end, the Series 2003 Debt Service Reserve Account was not in compliance with the Trust Indenture, which requires the District to maintain a minimum balance in the Series 2003 Debt Service Reserve Accounts. The Reserve Account was utilized to pay debt service in prior years and the reserve account has not been restored. The auditors recommend that the District use all available remedies to replenish the Reserve Account. (See PDF Page 32)	N/A	2024 (FY 2021-22)	Pursuant to the Indenture, the District previously filed a foreclosure action against three landowners for failure to pay assessments due on the Series 2003B Bonds. The Trustee created a Special Purpose Entity (SPE) to own and maintain the property subject to the foreclosure of the 2003 assessment lien. Another landowner voluntarily conveyed their land to this SPE in lieu of foreclosure. Unfortunately, the sale of these lands by the SPE to a builder did not generate enough funds to redeem the outstanding Series 2003B Bonds and, since the assessments were foreclosed upon or surrendered in lieu of foreclosure, there was no longer an assessment lien securing such Series 2003B Bonds. Funds from the Debt Service Reserve Account were used to make partial payments and, as there is no source of funds to replenish the account, they do not meet the requirements in the	Yes

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Sterling Hill Community Development District (continued)	Hernando County (continued)				Indenture. Consequently, the District's position is that corrective action, to the extent it can be at this time, has been taken.	
		<u>12-04 - Failure to Make Debt Service Payments When Due:</u> In the current and prior years, the District did not pay all the required principal due on the Series 2003 Bonds. The auditors recommend that the District bring the debt service payments current. (See PDF Page 33)	N/A	2024 (FY 2021-22)	The explanation for Finding #12-03 above also applies to this finding. It is unlikely that the Bondholders would entertain any discussion relating to cancelling or restructuring the delinquent Series 2003B Bonds. The District has performed all of its obligations under the Indenture and has attempted in good faith to resolve the findings, but it cannot compel the Bondholders or the Trustee to take action to resolve this issue. Consequently, the District's position is that corrective action, to the extent it can be at this time, has been taken.	Yes
Stevens Plantation Community Development District	Osceola County	<u>2023-01 - Financial Condition Assessment:</u> The District's financial conditions continue to deteriorate. The debt service fund had a negative fund balance of \$883,857 at fiscal year-end. In the prior and current years, the District has been unable to make its debt service payments on the Series 2003A and Series 2003B bonds since November 2012 due to lack of funds. In addition, the District has not met the debt service reserve requirement. The non-payment of interest and principal payments, when due, are considered events of default. The auditors recommend that the District take the necessary steps to alleviate the deteriorating financial condition. (See PDF Page 31)	N/A	2024 (FY 2021-22)	Prior year correspondence provided historical background as to the proximate cause of the District's financial condition issues, the failure of the certain landowners within the District to pay special assessments pledged to repay the District's Special Assessment Revenue Bonds, Series 2003A and 2003B (collectively, the "Series 2003 Bonds"), issued by the District to assist in financing the construction of the District's public infrastructure. The unpaid assessments created events of default with regards to the Series 2003 Bonds. <u>Most recent status:</u> Since 2018, the District has been working with the Bond Trustee (Trustee), on corrective actions for the default status of the District's Series 2003 Bonds. The Trustee, at the direction of a majority of the bondholders, is assisting both the related Stevens Plantation Dependent Special District (DSD) and the District in remedying the defaults on the outstanding bonds through a cancellation of a portion of the Series 2003 Bonds. The District and the DSD bonds are	Yes

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Stevens Plantation Community Development District (continued)	Osceola County (continued)				interrelated through an escrow agreement and mutual real property at issue. A portion of the outstanding bonds for both the DSD and the District can no longer be collected as a result of the bondholders' approval of land sales and the settlement of foreclosure actions, which are still in process. Corrective actions for the Series 2003A bonds and the Series 2003B bonds are generally the same since both require the cancellation of the amount of the Series 2003A bonds and the 2003B bonds for which the Trustee did not receive full satisfaction of the District's original assessment lien on. However, the remedy for each bond series differs slightly in timing and in calculating the true-up of the remaining assessment liens to the outstanding bonds for the applicable series of bonds. First, the bondholders need to resolve the defaults on the DSD bonds as the DSD has been terminated (assessments on DSD-owned lands secured a portion of the Stevens Plantation Bonds). Once the DSD bonds are cancelled, the District anticipates that the Trustee will work with the bondholders to take corrective action on the District's Bonds. Additional details are provided in the response letter relating to foreclosure cases. The current assessment roll for the District's Series 2003A bond debt payments reflect the performing parcels of land that have Series 2003A liens remaining on them. All of the parcels of land formerly owned by the DSD have been sold and the bondholders directed the Trustee to accept prepayments in resolution of the outstanding Series 2003A bond debt for such parcels of land. The Trustee also accepted a prepayment of the Series 2003A bonds from a developer for a large parcel of undeveloped land, and the District's attorneys are uncertain if the associated bond debt was cancelled when that prepayment was received. Therefore, the current annual assessment roll for the Series	

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Stevens Plantation Community Development District (continued)	Osceola County (continued)				2003A bonds must be reconciled by the Trustee, with the consent of the bondholders. Bond document amendments may be necessary to accomplish the corrective action and to accurately reflect that the remaining Series 2003A bonds are outstanding but without a default. The District's attorneys hope that this, too, can be accomplished within the next few fiscal years and have been contacting the Trustee's counsel on a regular basis to accomplish this task as quickly as possible. Since the timing of the corrective actions are dependent on outside factors, such as court calendars and bondholder requirements, it may vary from the estimates provided herein. The defaults discussed herein only impact the bondholders of the District's bonds; the District operates on a fully funded operations and maintenance/general fund budget. The District is not in need of any financial assistance from the State.	
SWI Community Development District	Volusia County	<u>2023-001 - Failure to Meet Debt Service Requirements:</u> While waivers for payment shortfalls were obtained, the District failed to fully meet certain debt service requirements during the 2022-23 fiscal year due to a lack of funds based on revenue shortfalls versus projections. This resulted in the District meeting the condition for a financial emergency as defined in Section 218.503(1)(a), Florida Statutes. (See PDF Page 31)	N/A	2024 (FY 2021- 22)	The District issued those certain Capital Improvement Bonds, Series 2017, on February 7, 2017, in a principal amount of \$14,300,000.00. Under the terms of the bonds, interest on the bonds is due May 1 and November 1 of each year and principal of the bonds is due November 1 of each year. The terms of the bonds also provide that all payments due are to be funded by User Fees (User Fees) received by the District. The bond is secured by User Fees imposed on the sale of certain property in the District. Such User Fees have not generated sufficient revenue to timely pay principal of, and interest on, the Bonds. As a result, Events of Default, as defined in the Trust Indenture, dated February 1, 2017, and any supplements thereto (collectively, the "Indenture") have occurred and continue to exist under the Indenture. While the principal amount of the bonds was based on historical monthly average for collections of User Fee Revenues by the District, the	Yes

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SWI Community Development District (continued)	Volusia County (continued)				amount of the actual monthly collections tends to ebb and flow throughout the calendar year, with several months of higher collections clustered around the holiday season between October and January. However, the bondholder of 100% of the bonds has previously waived and continues to waive the remedial rights that correspond to an “Event of Default” and, as such, waives any claim that the shortfall constitutes an Event of Default.	
Westside Community Development District	Osceola County	<u>2011-01 - Debt Administration:</u> In prior years, the District had been unable to make certain scheduled debt service payments and meet debt service reserve requirements on the Series 2005 Special Assessment Revenue Bonds and Series 2007 Special Assessment Revenue Bonds. During the current fiscal year, the balance outstanding, after a payment was made on the un-exchanged Series 2005 and Series 2007 Bonds, was cancelled. However, the District did not make all of the scheduled debt service payments for the Series 2005-2 and Series 2007-2 Bonds during the current fiscal year. The auditors noted that the owner of one undeveloped parcels of land within the District failed to timely pay the assessments, due from November 2022 through May 2023. The landowner subsequently made the payment with the statutorily required interest. (See PDF Pages 35-36)	N/A	2024 (FY 2021-22)	Cancellation of the bonds has occurred but the landowner whose special assessments secure the Series 2005-2 and 2007-2 Bonds did not pay assessments timely in order for the Trustee to remit payment to the bondholders.	Yes
Woodlands Community Development District, The	Sarasota County	<u>13-01 - Failure to Make Debt Service Payments When Due:</u> In the current and prior years, the District did not pay all of the principal and interest due on the Series 2004A Bonds because the District did not receive special assessments from certain landowners. At fiscal year-end, the District was not in compliance with the requirements of the Bond Indenture and has met a	N/A	2024 (FY 2021-22)	In 2008, the original developer defaulted on payments of its Debt Assessments. As a result, the District was unable to make full debt service payments on its Series 2004A Bonds. The bonds are limited obligation revenue bonds, secured solely from a pledge of the Debt Assessments and are not a full faith and credit obligation of the District. In 2009, the District received direction from the Bond Trustee not to	Yes

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**SPECIAL DISTRICTS**

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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?
Woodlands Community Development District, The (continued)	Sarasota County (continued)	financial emergency condition as described in Section 218.503(1), Florida Statutes. The auditors recommend that the District utilize all remedies available to bring debt service payments current. (See PDF Page 32)			foreclose on the delinquent Debt Assessments, and in 2013 a Forbearance Agreement was entered into, and the District was directed not to undertake any enforcement actions on the delinquent Debt Assessments. In 2017, the District, the Trustee, and a subsequent landowner entered into a settlement agreement relating to a proposed sale of one undeveloped parcel, which brought the delinquent Debt Assessments current for that parcel. In 2020, the District, the Trustee, and a subsequent landowner entered into a settlement agreement relating to a proposed sale of two undeveloped parcels that brought the delinquent Debt Assessments current for those two parcels. In 2022, the District, the Trustee, and a subsequent landowner entered into a settlement agreement relating to a proposed sale of three undeveloped parcels that brought the delinquent Debt Assessments current for those three parcels. In January 2024, the District, the Trustee, and a subsequent landowner entered into a settlement agreement relating to a proposed sale of the two remainder undeveloped parcels, that brought the delinquent Debt Assessments current for those two parcels. There are no longer any delinquent Debt Assessments outstanding in the entire District. Since this occurred early in 2024, the audit for the 2022-23 fiscal year will still have this repeat finding, but future audits will not.	

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Woodlands Community Development District, The (continued)	Sarasota County (continued)	<u>13-02 - Failure to Meet Debt Service Reserve Account Requirement</u> : The Series 2004A Debt Service Reserve Account was deficient at fiscal year-end. The balance in the Series 2004A Debt Service Reserve Account was used to pay debt service payments. The auditors recommend that the District utilize all remedies available to replenish the Debt Service Reserve Account. (See PDF Page 32)	N/A	2024 (FY 2021-22)	The explanation for Finding #13-01 also applies to this finding. Funds from the Debt Service Reserve Account were used to make partial payments, and, as there is no source of funds to replenish the account, they do not meet the requirements in the Indenture. This audit finding will continue to be repeated as the District has no source of funds to replenish the reserve account requirement.	Yes
Yellow River Soil and Water Conservation District	Okaloosa County	<u>2017-01 - Segregation of Duties</u> : Certain accounting and administrative duties were not segregated sufficiently to achieve an adequate internal control structure due to limited staff available. The auditor states that accounting duties should be adequately segregated because errors or fraud could occur without being detected and corrected in a timely manner. While the costs associated with achieving proper segregation of duties may outweigh the benefits, the auditor recommends that the District strive to separate custody, authorization, and record keeping duties to the extent possible. (See PDF Page 31)	SD	N/A	N/A	Yes

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FOOTNOTE/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.



SPECIAL DISTRICTS

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Alligator Point Water Resources District	Franklin County	<u>2023-001 - Preparation of Financial Statements</u> : 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 generally accepted accounting principles (GAAP). For the current fiscal year, the District had no employees that are able to prepare the financial statements in accordance with GAAP. The auditors recommend that management select and apply the appropriate accounting principles to prepare the financial statements in accordance with GAAP. (See PDF Page 19)	MW	2017 (FY 2014-15)	While it has been the District's practice to have its Fiscal Administrator prepare monthly financial reports for the Board of Directors and financial reports in preparation of the annual audit, the District has relied on the audit firm to identify and draft the financial statements and related note disclosures. It would be cost prohibitive to engage another accounting firm to draft the financial statements and related disclosures in advance of the year-end audit procedures.	No
		<u>2023-002 - Segregation of Duties</u> : Due to the size of the District's accounting and administrative staff, certain internal controls are not in place that would be preferred if staff were large enough to provide optimum segregation of duties. One employee is responsible for billing utility customers, collecting payments, entering deposits into the accounting system, preparing bank reconciliations, posting journal entries, and making deposits at the financial institution. Also, the District is using pre-signed checks, provided by the Board, in order to facilitate daily operations and transactions. This situation dictates that the Board of Directors (Board) remains involved in the financial affairs of the District to provide oversight and independent review functions. The auditors recommend that the Board continue to be actively involved in the District's transactions through review of monthly Board packets, journal entries, and financials. The auditors also recommend that the District not use pre-signed checks in its operations and consider alternative methods for payments. (See PDF Page 19)	MW	2017 (FY 2014-15)	The District is aware of this control problem, which is existent 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

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Aucilla Area Solid Waste Administration	Dixie County, Jefferson County, Madison County, Taylor County	<u>2013-1 - Financial Statement Preparation:</u> The Administration 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. A deficiency in internal control exists in such instances. Possessing suitable skill, knowledge, or experience to oversee services an auditor provides in assisting with financial statement presentation requires a lower level of technical knowledge than the competence required to prepare the financial statements and disclosures. (See PDF Page 36)	SD	2017 (FY 2014- 15)	The Administration is a small government and has used available resources to employ a competent bookkeeper who maintains excellent accounting records and provides accurate monthly financial reports prepared generally on the cash basis. Both staff and the Governing Board review the annual financial reports prepared by the audit firm utilizing these records and have the opportunity to ask any questions regarding the reports prior to its formal presentation at a scheduled meeting of the Governing Board. At this time, the Administration 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
Baker County Development Commission	Baker County	<u>2023-02 - Financial Reporting:</u> 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. The proposed adjustments were accepted by management, enabling the financial statements to be fairly presented in conformity with generally accepted accounting principles. The auditors recommend that the Commission consider and evaluate the costs and benefits of improving internal controls relative to the financial reporting process. The auditors state that, by improving the financial reporting process, the Commission will have an enhanced ability to monitor its budget position on an ongoing basis. (See PDF Page 31)	MW	2017 (FY 2014- 15)	Because of limited staff, no one on staff has the education, training, or experience to always prepare the financial statements perfectly. However, with 30 years of business experience, the executive director has the ability to discuss entries and approve corrections when they are suggested by the accounting firm conducting the audits.	No
		<u>2023-01 - Separation of Duties:</u> Because of a limited number of 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 all phases	MW	2017 (FY 2014- 15)	Staff is limited to one full-time employee (the executive director) and two part-time employees. Compensating controls have been implemented, to the extent possible, given the limited number of available staff. All checks require two signatures. An individual independent of the	No

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SPECIAL DISTRICTS

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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?
Baker County Development Commission (continued)	Baker County (continued)	of a transaction. The Commission has implemented compensating controls to the extent possible, given available staff, to mitigate the risk of unintentional or intentional errors occurring and not being detected. However, the possibility still exists that unintentional or intentional errors or irregularities could exist and not be detected. The auditors recommend that, to the extent possible given available personnel, steps be taken to segregate employee duties so that no one individual has access to both physical assets and the related accounting records, or all phases of a transaction. (See PDF Page 31)			receipting process prepares bank reconciliations. Finally, the Board reviews and approves all expenses before checks are approved.	
Baker County Hospital District	Baker County	<u>2023-002 - Financial Reporting</u> : As part of the audit process, the auditors proposed material adjustments to the District's financial statements and assisted with the preparation of the financial statements. The proposed adjustments were accepted by management, enabling the financial statements to be fairly presented in conformity with generally accepted accounting principles. The auditors recommend that the District consider and evaluate the costs and benefits of improving internal controls relative to the financial reporting process. The auditors state that, by improving the financial reporting process, the District will have an enhanced ability to monitor its budget position on an ongoing basis. (See PDF Page 24)	MW	2017 (FY 2014-15)	Because of limited staff, no one on staff has the education, training, or experience to always prepare the financial statements perfectly. However, with 30 years of business experience, the executive director has the ability to discuss entries and approve corrections when they are suggested by the accounting firm conducting the audits.	No
		<u>2023-001 - Separation of Duties</u> : Because of a limited number of 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 all phases of a transaction. The Authority has implemented	MW	2017 (FY 2014-15)	Staff is limited to one full-time employee (the executive director) and two part-time employees. Compensating controls have been implemented, to the extent possible, given the limited number of available staff. All checks require signatures of two Board members; administrative staff is not authorized to sign checks. An individual	No

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Baker County Hospital District (continued)	Baker County (continued)	compensating controls to the extent possible, given available staff, to mitigate the risk of unintentional or intentional errors occurring and not being detected. However, the possibility still exists that unintentional or intentional errors or irregularities could exist and not be detected. The auditors recommend that, to the extent possible given available personnel, steps be taken to segregate employee duties so that no one individual has access to both physical assets and the related accounting records, or all phases of a transaction. (See PDF Page 24)			independent of the receipting process prepares bank reconciliations. Finally, the Board reviews and approves all expenses before checks are approved.	
Bay Medical Center	Bay County	<u>2023-001 - Bay Medical Center d/b/a Bay Health Foundation</u> : The special district lacks the personnel necessary to adequately segregate financial and accounting duties. Financial records and transactions without adequate segregation of duties are more at risk for misstatement due to fraud or errors. The auditors recommend that the Board of Directors remain involved in the financial affairs of the Bay Medical Center d/b/a Bay Health Foundation to provide oversight and independent review functions. (See PDF Page 50)	MW	2022 (FY 2019- 20)	The Bay Medical Center d/b/a Bay Health Foundation (Foundation) has a small accounting and administrative staff, which precludes certain internal controls that would be preferred if the office staff were large enough to provide optimum segregation of duties. The Board of Directors (Board) is very involved in the operations of the Foundation. For example, staff cannot sign checks for any amount. Checks are signed by two Board officers and invoices are reviewed and initialed at that time by those officers. The Board and staff understand that having a small staff dictates that the Board remain involved in the financial affairs of the Foundation to provide oversight and independent review functions. The Board currently and will continue to maintain the following review functions: (1) Financial statements are prepared and presented to the Board monthly; (2) Two members of the Board sign checks and review invoices; and (3) An officer of the Board opens operating bank statements monthly and reviews for any irregularities. The Board understands that this issue may never be fully resolved due to limited staff and resources and will continue to be very involved in the operations.	No

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Beach Mosquito Control District	Bay County	<u>2023-1 - Separation of Duties</u> : 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 auditors state that, to the extent possible, duties should be segregated to serve as a check and balance and to maintain the best control system possible. Material errors or irregularities may occur without being detected by employees or management during the normal course of their duties. Oversight provided by the Board of Commissioners (Board) has been a mitigating factor which prevents this from being a material weakness. The Commissioners and the Director review the deposits and expenditures on a monthly basis and include their approval and comments in the minutes of the Board meetings to help override the lack of segregation of duties. However, the auditors still recommend that the segregation of duties be continuously reviewed and adjusted where possible to strengthen the system of internal control each year. (See PDF Page 50)	SD	2017 (FY 2014-15)	This finding may never be fully resolved due to limited staff. The District is a small government with limited staff and limited funds, and the Board of Commissioners does not believe that it is practical to hire another employee to assist in the separation of duties. Certain procedures have been implemented to address the lack of segregation of duties, such as the Commissioners and the Director reviewing the monthly deposits and expenditures and including approval and comments in the minutes of the Board meetings.	No
Cedar Key Water and Sewer District	Levy County	<u>2023-001 - Limited Segregation of Duties</u> : The District employs a limited number of personnel and may not be able to adequately segregate certain duties at all times. Consequently, the possibility exists that unintentional errors or irregularities could exist. The auditors recommend that the District segregate duties whenever practical, and the Board continue its practice of ongoing oversight to mitigate the control deficiency. (See PDF Page 18)	SD	2017 (FY 2014-15)	The District is a small governmental entity, and all accounting responsibilities are performed primarily by a single individual. The District understands this situation creates an internal control weakness and has adopted review and control oversight procedures by management and the Board Members, where possible. At this time, the District does not believe it is cost beneficial to hire additional staff, which would be required, to eliminate this finding. Compensating controls have been adopted and are described in the response letter.	No

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City-County Public Works Authority	Glades County	<u>2023-002 - Audit Adjustments</u> : The auditors proposed audit adjustments to revise the Authority's books at fiscal year-end. These adjustments involved the recording of accruals. The Authority has a limited number of personnel, and some accounts do not get reconciled properly due to time constraints. The auditors understand that this material weakness is already known to management and represents a conscious decision by management and the Board of Supervisors to accept that degree of risk because of cost or other considerations. (See PDF Page 22)	MW	2017 (FY 2014-15)	The Authority is located in a small rural community with limited resources. Unfortunately, the Authority is not in a financial position to hire additional staff. The system which has been implemented provides for more than sufficient checks and balances.	No
		<u>2023-001 - Segregation of Duties</u> : The Authority does not have adequate segregation of the accounting functions due to a limited number of personnel, which is necessary to ensure adequate internal controls. The auditors understand that this material weakness is already known to management and represents a conscious decision by management and the Board of Supervisors to accept that degree of risk because of cost or other considerations. The auditors recommend that, if additional segregation is not feasible, Authority management and the Board of Supervisors continue to implement and perform oversight procedures to help mitigate the lack of segregation as much as possible. (See PDF Page 21)	MW	2017 (FY 2014-15)	The Authority is located in a small rural community with limited resources. Unfortunately, the Authority is not in a financial position to hire additional staff. The system which has been implemented provides for more than sufficient checks and balances.	No
Fred R. Wilson Memorial Law Library	Seminole County	<u>2023-1 - Improve Knowledge of Internal Control over Financial Reporting</u> : The person responsible for the accounting and reporting function lacks the skills and knowledge to apply generally accepted accounting principles (GAAP) in recording the Library's financial transactions or preparing its financial statements. The basis for this control issue is that the auditor cannot be	N/A	2017 (FY 2014-15)	The Library is a small entity, has relatively limited financial resources, and has only two full-time employees, both librarians. The Library has a CPA firm that prepares quarterly financial statements, and receives the bank statements prior to preparing these financial statements. Each quarter, all three of the Library's trustees review the bank statements and quarterly reports generated by the	No

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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?
Fred R. Wilson Memorial Law Library (continued)	Seminole County (continued)	considered part of the Library's internal control (i.e., cannot be substituted for elements within the Library's internal control system). The auditors recognize that this condition requires the Library's assessment of a cost effective solution. The auditors state that alternative solutions might include training accounting staff, hiring additional staff, engaging outside consultants, or obtaining assistance from knowledgeable volunteers to prepare financial statements in accordance with GAAP. (See PDF Page 23)			CPA firm. Much of the day-to-day financial transactions are administered jointly by the two librarians, both of whom have substantial experience handling the Library's affairs. The training and experience of the two librarians, together with the oversight provided by the Library's trustees (described in the response letter), provide a consistent and reliable degree of care in the internal reporting of the Library's finances on a quarterly and annual basis.	
		<u>2023-2 - Internal Control</u> : The auditors noted that 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 segregation of duties are, for all practical purposes, missing in the Library. The auditors recognize that the Library is not large enough to make the employment of additional people cost effective for the purpose of segregating duties and that this condition is quite common in many small organizations. The auditors state that increased involvement of the Board of Trustees, such as reviewing and signing all disbursement checks, compensates to a degree for the absence of adequate segregation of duties. The auditors also recommend that a Trustee open and review all bank statements, reconciliations, and unfavorable budget variances. (See PDF Page 23)	N/A	2017 (FY 2014-15)	The Library only has two employees, both librarians. Due to limited resources, the Library cannot afford to hire additional employees without incurring a dramatic reduction in services provided to patrons. The librarians do provide joint oversight of the Library's daily financial transactions, which are reported and reviewed by the three Library trustees on a quarterly basis. Given the modest resources, lack of known instances of misuses, and limited transactions of the Library, compensating controls involving Board trustees' oversight (described in the response letter) are the most extensive and responsible internal controls available to the Library.	No
Gadsden Soil and Water Conservation District	Gadsden County	<u>2017-003 - Financial Reporting</u> : The District has a small accounting staff necessitated by its overall small size. The District relies on the external auditor to assist with preparing and explaining financial statements in	MW	2021 (FY 2018-19)	The District is a small organization with one part-time receptionist performing basic secretarial duties, who is shared with another agency. This District does not have the resources to hire a full-time person or someone with the	No

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Gadsden Soil and Water Conservation District (continued)	Gadsden County (continued)	conformity with generally accepted accounting principles (GAAP). The District does not consider it cost effective to develop and maintain a system of internal accounting control sufficient by itself to allow the preparation of financial statements in accordance with GAAP, nor to maintain internal staff with sufficient knowledge to develop and maintain controls to prevent, detect or correct misstatements in audited financial statements. The auditors recommend that the District continue to consider the effects of the cost of developing and benefits of implementing such a system as compared with understanding that, due to the size of its accounting department, it will continue to need external assistance with the preparation and understanding of financial statements in accordance with GAAP. (See PDF Page 36)			knowledge/experience needed to prepare the financial statements. Hiring an outside firm or additional staff is also not within the District's ability due to limited finances. The District will continue to utilize the services of the District's auditors to ensure compliance.	
		<u>2017-001 - Separation of Duties</u> : Custody of assets, record keeping, and recording of assets should have adequate separation. Due to the size of the District and its small one-person bookkeeping system, proper separation of duties may not be feasible. The auditors recommend that District management remains very active and involved in the day-to-day operations, records be maintained current and up-to-date, and controls be established to provide checks and balances. (See PDF Page 35)	SD	2021 (FY 2018-19)	The District has a part-time employee who is shared with another agency. The District is fiscally unable to hire another person to allow for the requested separation of duties. These issues may never be fully resolved because of the limited staff and limited resources. In an effort to address the concerns of the lack of separation of duties, the District's Board of Supervisors (Board) has taken the following steps: (1) A check request form must be completed for every check requested, which requires Board member approval and supporting documentation; (2) A monthly financial report is provided to the Board along with a copy of the bank statements; and (3) Two signatures are required on all checks. The District will continue conversations with the auditors to ensure staff are as effective as possible.	No

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Gilchrist Soil and Water Conservation District	Gilchrist County	<u>14-01 - Financial Statement Preparation Knowledge:</u> Management is responsible for the preparation of financial statements in accordance with generally accepted accounting principles (GAAP). District personnel's lack of knowledge and familiarity with Governmental Accounting and Financial Accounting Standards prohibits the District from being able to prepare financial statements with adequate and proper disclosures and free of material misstatements. The auditor encourages District personnel to increase their knowledge of these standards sufficiently to allow them to prepare financial statements including the notes in accordance with GAAP. (See PDF Page 28)	N/A	2018 (FY 2015-16)	This District is a small governmental unit and cannot afford to hire an accounting professional with specialized knowledge to prepare governmental accounting financial statements. As a result, the auditors are significantly involved in the preparation of the financial statements. The auditors are not involved in the management of the District or in the safeguarding of District assets. The procedures for the handling of these aspects are examined in the audit.	No
Holmes Creek Soil and Water Conservation District	Holmes County	<u>2007-001 - Financial Reporting:</u> The District relies on the external auditor to assist with preparing and explaining financial statements in conformity with generally accepted accounting principles (GAAP). Since the auditor cannot be a part of the system of internal accounting control, the District's system of internal accounting control over financial reporting is not sufficient by itself to prevent, detect, or correct misstatements in the audited financial statements. The District has a small accounting staff necessitated by its overall small size. The District does not consider it cost effective to develop and maintain a system of internal accounting control sufficient by itself to allow the preparation of financial statements in accordance with GAAP, nor to maintain internal staff with sufficient knowledge to develop and maintain controls to prevent, detect, or correct misstatements in audited financial statements. The auditors recommend that the District continue to consider the effects of the cost of developing and benefits of implementing such a system	MW	2016 (FY 2013-14)	Due to the District's small size and limited resources, this issue may never be fully resolved. The District considers the cost to implement and maintain a system of internal control to be prohibitive.	No

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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?
Holmes Creek Soil and Water Conservation District (continued)	Holmes County (continued)	as compared with understanding that, due to the size of its accounting department, it will continue to need external assistance with the preparation and understanding of financial statements in accordance with GAAP. (See PDF Page 29)				
		<u>2003-002 - Separation of Duties:</u> Custody of assets, record keeping, and recording of assets should have adequate separation. Due to the size of the District and its small one-person bookkeeping system, proper separation of duties may not be feasible. The auditor states that controls should be implemented to help compensate for the weaknesses. The auditor recommends that District management remain very active and involved in the day-to-day operations, records be maintained current and up-to-date, and controls be established to provide checks and balances. (See PDF Page 28)	MW	2016 (FY 2013-14)	Due to the District's small size and limited resources, this issue may never be fully resolved. In an effort to maintain the integrity of the District's assets, financial transactions require the signature of two Board members, and staff does not have signature authority on any of the accounts. All records are available for review at any time, and Board members review the financial statements at regularly scheduled meetings.	No
Indian River Farms Water Control District	Indian River County	<u>2023-001 - Segregation of Duties:</u> The limited size of the District's staff does not allow for proper segregation of duties in each phase of operations, which is not unusual in an organization of this size. Although segregation of duties is necessary for optimum efficiency in internal controls, management does not believe it is cost beneficial for the District. The high degree of involvement by the Board of Supervisors in the financial process provides a degree of compensating control for this weakness. (See PDF Page 38)	SD	2017 (FY 2014-15)	The District acknowledges the weakness regarding the segregation of duties for optimum efficiency in internal control. The only action that would completely resolve this issue would be to hire an additional employee and reorganize as far as internal control of accounting tasks. Unfortunately, the District does not have the sustainable resources available to afford this additional expense, and it is unclear at this time when these resources will be available. The degree of involvement by the Board members has been increased to compensate for this weakness.	No
Indian River Soil and Water Conservation District	Indian River County	<u>2023-001 - Segregation of Duties:</u> Proper internal controls require that an entity has adequate segregation of duties within significant accounting processes. Employee duties should be adequately	SD	2023 (FY 2020-21)	The District has one paid employee; the Indian River County Board of County Commissioners provides the salary for a Staff Assistant II. The five elected supervisors receive no monetary compensation. The Board of Supervisors has a	No

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

SPECIAL DISTRICTS

**Local Governmental Entities That Failed to Take Full Corrective Action in Response to a Recommendation  
Included in the FY 2022-23 Fiscal Year Audit Report and the Two Preceding Audit Reports<sup>1</sup>**

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?
Indian River Soil and Water Conservation District (continued)	Indian River County (continued)	separated between the authorization, custody, and record keeping processes. One individual in the accounting department controls transactions from beginning to conclusion. The District does not have adequate financial resources to hire additional personnel to reassign responsibilities in such a way that different employees handle different portions of a transaction. The auditors recommend that the Board of Supervisors exercise a high degree of involvement in the financial process to provide a degree of compensating controls for this weakness. (See PDF Page 25)			Secretary/Treasurer who diligently reviews the monthly bank statements, QuickBooks, and Checkbooks monthly to verify all accounts are in good standing. The staff does not sign any checks. The Board's Chairman and Secretary/Treasurer are the only individuals authorized to sign checks. All FDACS Cost-Share payments are signed off for approval by either the Chairman or the Secretary/Treasurer, prior to the payments being processed. The District acknowledges said weakness regarding the segregation of duties is necessary for optimum efficiency in internal controls. The only action that would completely resolve this issue would be to hire an additional employee and reorganize as far as internal control of accounting tasks. Unfortunately, the District does not have the sustainable resources available to afford this additional expense, and it is unclear at this when these resources will be available. The degree of involvement by the Board has been increased to compensate for this weakness. As a small entity with limited funding, the District will continue to have this finding.	
Jackson Soil and Water Conservation District	Jackson County	<u>2007-001 - Financial Reporting</u> : The District relies on the external auditors to assist with preparing and explaining financial statements in conformity with generally accepted accounting principles (GAAP). Since the auditors cannot be a part of the system of internal control, the District's system of internal accounting control over financial reporting is not sufficient by itself to prevent, detect, or correct misstatements in the audited financial statements. The District has a small accounting staff necessitated by its overall small size. The District does not consider it cost effective to develop and maintain a system of internal accounting control sufficient by itself to allow the preparation of	MW	2017 (FY 2014-15)	The District considers the cost of maintaining a system of internal control to be prohibitive. The small size of the District, as well as the minimal number of staff, precludes the establishment of such a system. The District will make a concerted effort to identify and assess potential risks on a daily basis.	No

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

SPECIAL DISTRICTS

Local Governmental Entities That Failed to Take Full Corrective Action in Response to a Recommendation Included in the FY 2022-23 Fiscal Year Audit Report and the Two Preceding Audit Reports<sup>1</sup>

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?
Jackson Soil and Water Conservation District (continued)	Jackson County (continued)	financial statements in accordance with GAAP, nor to maintain internal staff with sufficient knowledge to develop and maintain controls to prevent, detect, or correct misstatements in audited financial statements. The auditors recommend that the District continue to consider the effects of the cost of developing and benefits of implementing such a system as compared with understanding that, due to the size of its accounting department, it will continue to need external assistance with the preparation and understanding of financial statements in accordance with GAAP. (See PDF Page 58)				
		<u>2006-001 - Separation of Duties</u> : Custody of assets, record keeping, and recording of assets should have adequate separation. Due to the size of the District and its small one-person bookkeeping system, proper separation of duties may not be feasible. The auditors state that controls should be implemented to help compensate for the weaknesses. The auditors recommend that District management remain very active and involved in the day-to-day operations, records be maintained current and up-to-date, and controls be established to provide checks and balances. (See PDF Page 58)	SD	2017 (FY 2014-15)	Due to limited staff and resources, this issue may never be completely resolved. The District will make every effort to separate the record keeping duties from the custody of assets as much as possible with its small (one person) administrative staff. The District continues to maintain an active role in the day-to-day operations.	No
Lake Shore Hospital Authority	Columbia County	<u>2011-1 - Financial Statement Preparation</u> : The Authority 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. A deficiency in internal control exists in such instances. Possessing suitable skill, knowledge, or experience to	SD	2017 (FY 2014-15)	The Authority is a very small government and has used its available resources to employ a competent bookkeeper who maintains excellent accounting records and provides accurate monthly financial reports prepared generally on the cash basis. Both staff and the Board of Trustees review the annual financial reports prepared by the audit firm utilizing these records and have the opportunity to ask any questions regarding the reports prior to its formal	No

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 SD = Significant Deficiency (see 3. in Legend)

SPECIAL DISTRICTS

Local Governmental Entities That Failed to Take Full Corrective Action in Response to a Recommendation Included in the FY 2022-23 Fiscal Year Audit Report and the Two Preceding Audit Reports<sup>1</sup>

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?
Lake Shore Hospital Authority (continued)	Columbia County (continued)	oversee services an auditor provides in assisting with financial statement presentation requires a lower level of technical knowledge than the competence required to prepare the financial statements and disclosures. (See PDF Page 51)			presentation at a scheduled meeting of the Board of Trustees. At this time, the Authority does not believe 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.	
Levy Soil and Water Conservation District	Levy County	<u>13-01 - Financial Statement Preparation Knowledge:</u> District personnel's lack of knowledge and familiarity with Governmental Accounting and Financial Accounting Standards prohibits the District from being able to prepare financial statements with adequate and proper disclosures and free of material misstatements. The auditor encourages District personnel to increase their knowledge of these standards sufficiently to allow them to prepare financial statements including the notes in accordance with generally accepted accounting principles. (See PDF Page 28)	MW	2017 (FY 2014-15)	As a small entity it would not be economically feasible to hire an accountant with the skills and knowledge to keep current with accepted accounting principles. The District appreciates the efforts of the auditors in preparing the financial statements and will continue to rely on their expertise in the future.	No
Madison County Soil and Water Conservation District	Madison County	<u>15-01 - Financial Statement Preparation Knowledge:</u> District personnel's lack of knowledge and familiarity with Governmental Accounting and Financial Accounting Standards prohibits the District from being able to prepare financial statements with adequate and proper disclosures and free of material misstatements. The auditor encourages District personnel to increase their knowledge of the standards sufficiently to allow them to prepare financial statements including the notes in accordance with generally accepted accounting principles. (See PDF Page 28)	MW	2019 (FY 2016-17)	The size and budget of the District does not allow the employment of an experienced accountant. The financials and the audit are reviewed by the District's Board, which includes a local accountant.	No
Marion Soil and Water Conservation District	Marion County	<u>16-01 - Financial Statement Preparation Knowledge:</u> District personnel's lack of knowledge and familiarity with Governmental Accounting and Financial Accounting Standards prohibits the District from being able to prepare financial statements with adequate and	MW	2020 (FY 2017-18)	The District is a small governmental entity with no employees. This comment will continue to be repeated in future audits as the District does not have the resources to hire an accountant with expertise to prepare governmental	No

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

SPECIAL DISTRICTS

**Local Governmental Entities That Failed to Take Full Corrective Action in Response to a Recommendation  
Included in the FY 2022-23 Fiscal Year Audit Report and the Two Preceding Audit Reports<sup>1</sup>**

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?
Marion Soil and Water Conservation District (continued)	Marion County (continued)	proper disclosures and free of material misstatements. The auditor encourages District personnel to increase their knowledge of these standards sufficiently to allow them to prepare financial statements including the notes in accordance with generally accepted accounting principles. (See PDF Page 28)			financial statements. The District will continue to rely on its auditing firm to prepare the financial statements.	
Putnam Soil and Water Conservation District	Putnam County	<u>16-01 - Financial Statement Preparation Knowledge:</u> District personnel's lack of knowledge and familiarity with Governmental Accounting and Financial Accounting Standards prohibits the District from being able to prepare financial statements with adequate and proper disclosures and free of material misstatements. The auditor encourages District personnel to increase their knowledge of these standards sufficiently to allow them to prepare financial statements including the notes in accordance with generally accepted accounting principles. (See PDF Page 28)	MW	2020 (FY 2017-18)	The District is a small governmental entity with no employees. This comment will continue to be repeated in future audits as the District does not have the resources to hire an accountant with expertise to prepare governmental financial statements. The District will continue to rely on its auditing firm to prepare the financial statements.	No
South Seminole and North Orange County Wastewater Transmission Authority	Orange County, Seminole County	<u>2023-01 - Lack of Segregation of Duties:</u> 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. The auditors state that, management is aware of this situation and should continue to exercise a high level of management review and supervision. The auditors recommend that the Board of Directors remain involved in the financial affairs of the Authority to provide oversight and independent review functions. (See PDF Page 48)	MW	2017 (FY 2014-15)	This finding relates to an area that may never be fully resolved due to limited staff and resources. The Authority's executive director is the only employee. All other controls/services, such as legal, bookkeeping, engineering, IT, auditing, capital improvements, and maintenance, are performed by private contractors or afforded by the municipal membership. Certain internal controls and procedures that have been implemented to compensate are described in the response letter.	No
Suwannee County Conservation District	Suwannee County	<u>12-01 - Financial Statement Preparation Knowledge:</u> District personnel's lack of knowledge and familiarity with Governmental Accounting and Financial Accounting Standards prohibits the District from being	MW	2017 (FY 2014-15)	As a small entity, it would not be economically feasible to hire an accountant with the skills and knowledge to keep current with generally accepted accounting principles. The	No

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

SPECIAL DISTRICTS

**Local Governmental Entities That Failed to Take Full Corrective Action in Response to a Recommendation  
Included in the FY 2022-23 Fiscal Year Audit Report and the Two Preceding Audit Reports<sup>1</sup>**

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?
Suwannee County Conservation District (continued)	Suwannee County (continued)	able to prepare financial statements with adequate and proper disclosures and free of material misstatements. The auditor encourages District personnel to increase their knowledge of these standards sufficiently to allow them to prepare financial statements including the notes in accordance with generally accepted accounting principles. (See PDF Page 29)			District feels the limited funds it receives are better being used to serve its constituents.	
Taylor Coastal Water and Sewer District	Taylor County	<u>2010-1 - Financial Statement Preparation</u> : The District 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. A deficiency in internal control exists in such instances. Possessing suitable skill, knowledge, or experience to oversee services an auditor provides in assisting with financial statement presentation requires a lower level of technical knowledge than the competence required to prepare the financial statements and disclosures. (See PDF Page 34)	SD	2017 (FY 2014- 15)	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. Both staff and the Board of Commissioners review the annual financial reports and have the opportunity to ask the auditor any questions regarding the report prior to its formal presentation. 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
Taylor County Development Authority	Taylor County	<u>2022-1 - Financial Statement Preparation</u> : The Authority 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. A deficiency in internal control exists in such instances. Possessing suitable skill, knowledge, or experience to oversee services an auditor provides in assisting with financial statement presentation requires a lower level of technical knowledge than the competence required	SD	2021 (FY 2018- 19)	The Authority runs all books, debits, credits, etc. through a third-party bookkeeping firm; however, this is apparently not enough for the audit firm to remove the finding.	Yes

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SD = Significant Deficiency (see 3. in Legend)

SPECIAL DISTRICTS

Local Governmental Entities That Failed to Take Full Corrective Action in Response to a Recommendation  
Included in the FY 2022-23 Fiscal Year Audit Report and the Two Preceding Audit Reports<sup>1</sup>

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?
Taylor County Development Authority (continued)	Taylor County (continued)	to prepare the financial statements and disclosures. (See PDF Page 46)				
Tri-County Airport Authority	Holmes County, Jackson County, Washington County	<u>2007-001 - Financial Reporting</u> : The Authority relies on the external auditors to assist with preparing and explaining financial statements in conformity with generally accepted accounting principles (GAAP). The Authority has a small accounting staff necessitated by its overall small size and does not consider it cost effective to develop and maintain a system of internal accounting control sufficient by itself to prepare financial statements in accordance with GAAP, nor to maintain internal staff with sufficient knowledge to develop and maintain controls to prevent, detect, or correct misstatements in the financial statements. The auditors recommend that the Authority continue to consider the cost and benefits of developing and implementing such a system with the understanding that, due to the size of the entity, external assistance will likely continue to be needed to assist in preparing the accounting records to produce the financial statements in accordance with GAAP. (See PDF Page 23)	MW	2017 (FY 2014-15)	The Authority's Treasurer monitors the banking account online, and all checks written on the account are required to be signed by both the Chairman and the Treasurer of the Authority's governing board. A local accounting firm has been hired to assist with the preparation of the monthly statements and providing the required checks and balances needed.	No

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



**Local Governmental Entities That Failed to Take Full Corrective Action in Response to a Recommendation  
Included in the FY 2022-23 Fiscal Year Audit Report and the Two Preceding Audit Reports<sup>1</sup>**

FOOTNOTE/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.

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**From:** JAIME HOELSCHER <JAIMEHOELSCHER@aud.state.fl.us>  
**Sent:** Friday, June 28, 2024 9:14 AM  
**To:** Dubose, Kathy <DUBOSE.KATHY@leg.state.fl.us>  
**Cc:** GREG CENTERS <GREGCENTERS@AUD.STATE.FL.US>  
**Subject:** Notification pursuant to Section 11.45(7)(J) Florida Statutes

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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 university or Florida College System institution (college) 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 e-mail is to notify you that audit reports issued during the period July 1, 2023, through June 30, 2024, for the 12 State universities and 28 colleges disclosed 4 State colleges that failed to take the full corrective action. Please see the attached document identifying the respective institutions, the applicable audit reports, and the recurring findings.

*Jaime Hoelscher, CPA*  
*Audit Manager*  
*Florida Auditor General*  
*111 West Madison Street*  
*Tallahassee, FL 32399*  
*(850) 412-2868*

AUDIT REPORTS ISSUED  
 JULY 1, 2023, THROUGH JUNE 30, 2024, FOR THE  
 COLLEGES THAT FAILED TO TAKE FULL CORRECTIVE  
 ACTION IN RESPONSE TO A RECOMMENDATION  
 INCLUDED IN THE TWO PRECEDING AUDIT REPORTS

<u>COLLEGES</u>	<u>REPORT NUMBERS</u>	<u>FINDING NUMBERS</u>
St. Petersburg College	<a href="#">2024-054</a>	4
	<a href="#">2021-060</a>	2
	<a href="#">2018-081</a>	1
Hillsborough Community College	<a href="#">2024-035</a>	3
	<a href="#">2021-087</a>	5
	<a href="#">2018-160</a>	6
Miami Dade College	<a href="#">2024-067</a>	2
	<a href="#">2022-083</a>	4
	<a href="#">2018-209</a>	9
The College of the Florida Keys	<a href="#">2024-029</a>	2
	<a href="#">2021-057</a>	3
	<a href="#">2018-176</a>	7

Note: No universities failed to take the full corrective action.

Notification from Auditor General:  
District School Boards

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**From:** TED WALLER <TEDWALLER@AUD.STATE.FL.US>  
**Sent:** Friday, June 28, 2024 10:49 AM  
**To:** Dubose, Kathy <DUBOSE.KATHY@leg.state.fl.us>  
**Subject:** Notification pursuant to Section 11.45(7)(j) Florida Statutes

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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 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 e-mail is to notify you that audit reports issued during the period July 1, 2023, through June 30, 2024, disclosed 6 district school boards that 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 identifying the respective district school boards, the applicable audit reports, and the recurring findings.

Sincerely,

Ted Waller,  
Audit Manager – District School Boards

AUDIT REPORTS ISSUED  
 JULY 1, 2023, THROUGH JUNE 30, 2024, FOR  
 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 NUMBERS	REPORT TYPE & FINDING NUMBERS
1. Bay	<a href="#">2024-088</a>	Operational: 1
	<a href="#">2021-121</a>	Operational: 2
	<a href="#">2018-201</a>	Operational: 1
2. Hernando	<a href="#">CPA Firm FY 2022-23</a>	Financial: 2017-1
	<a href="#">CPA Firm FY 2021-22</a>	Financial: 2017-1
	<a href="#">2022-055</a>	Operational: 4
3. Hillsborough	<a href="#">2024-050</a>	Operational: 3
	<a href="#">2021-067</a>	Operational: 5
	<a href="#">2018-173</a>	Operational: 10
4. Monroe	<a href="#">2024-032</a>	Operational: 3
	<a href="#">2021-148</a>	Operational: 4
	<a href="#">2018-183</a>	Operational: 6
5. Polk	<a href="#">CPA Firm FY 2022-23</a>	Financial: 2023-001
	<a href="#">CPA Firm FY 2021-22</a>	Financial: 2022-001
	<a href="#">2022-070</a>	Financial: 2021-001
6. Putnam	<a href="#">2024-167</a>	Financial: 2023-001
	<a href="#">2023-147</a>	Financial: 2022-001
	<a href="#">2022-168</a>	Financial: 2021-001

Note: 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.

**From:** GINA BAILEY <GINABAILEY@AUD.STATE.FL.US>  
**Sent:** Friday, May 31, 2024 1:52 PM  
**To:** Pizzo, Jason; Caruso, Mike  
**Cc:** Dubose, Kathy; White, Deborah  
**Subject:** 2022-23 FY Notification Pursuant to Section 218.39(8), Florida Statutes  
**Attachments:** 2023 PPY Findings Notification.xlsb

Good afternoon,

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 e-mail is to notify you of the 2022-23 fiscal year charter school and technical career center audit reports that indicate the audited entity failed to take full corrective action in response to a recommendation included in the two preceding financial audit reports.

Please contact me if you or your staff have any questions about this information.

Thank you,

Gina Bailey, CPA, CFE, CISA  
Audit Supervisor  
Auditor General, State of Florida  
40 Sarasota Center Blvd., Suite 105  
Sarasota, FL 34240  
Tel.(813) 940 - 4172

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 School	Finding Category	CY Finding No.	PY Finding No.	PPY Finding No.	PDF Page No. (1)	Revision or Addendum (2)
<a href="#">Byrneville Elementary School</a>	Separation of Duties	2023-001	2022-001	2021-001	37	No
	Miscellaneous	2023-001	2022-001	2021-001	34	No
	Records Management	2023-001	2022-001	2021-001		
<a href="#">Championship Academy of Distinction at Hollywood</a> <a href="#">Madison Creative Arts Academy</a>	Cash Controls	2023-001	2022-002	2021-004	40	No
	Budget Administration	2023-002	2022-003	2021-005	33	No
<a href="#">Reading Edge Academy</a>	Cash Controls	2023-003	2022-003	2021-003	33	No
	Budget Administration	2023-004	2022-004	2021-004	34	No
<a href="#">Samsula Academy</a>	Miscellaneous	2023-001	2022-002	2021-002	23	No
	Records Management	2023-002	2022-003	2021-004	23	No
<a href="#">Waypoint Charter Academy</a>						

**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 2022-23 fiscal year audit report that should also be viewed.

**From:** GINA BAILEY <GINABAILEY@AUD.STATE.FL.US>  
**Sent:** Wednesday, October 16, 2024 11:59 AM  
**To:** Caruso, Mike; Pizzo, Jason  
**Cc:** Dubose, Kathy; White, Deborah  
**Subject:** 2022-23 FY Notification Pursuant to Section 218.39(8), Florida Statutes  
**Attachments:** 2023 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 e-mail is to notify you of the 2022-23 fiscal year local governmental entity audit reports that indicate the audited entity had failed to take full corrective action in response to a recommendation that was included in the two preceding financial audit reports.

Please contact me if you or your staff have any questions about this information.

Thank you,

Gina Bailey, CPA, CFE, CISA  
Audit Supervisor  
Auditor General, State of Florida  
40 Sarasota Center Blvd., Suite 105  
Sarasota, FL 34240  
Tel.(813) 940 - 4172

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 Repose To A Recommendation Included In The 2022-23 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)
<b>COUNTIES</b>								
C00300	<a href="#">Bay County</a>	Board of County Commissioners	Revenues/Collections	2023-001	2022-001	2021-001	221	No
		Sheriff	General Accounting Records	2023-001	2022-001	2021-001	370	No
C00700	<a href="#">Calhoun County</a>	Sheriff	Separation of Duties	Sheriff 2004-002	Sheriff 2004-002	Sheriff 2004-002	168	No
C01900	<a href="#">Gadsden County</a>	Sheriff	Financial Reporting	2023-01	2022-02	2021-02	190	No
C02400	<a href="#">Hardee County</a>	Sheriff	General Accounting Records	2023-001	2022-001	2021-001	247	No
C02900	<a href="#">Holmes County</a>	Sheriff	Separation of Duties	2010-01	2010-01	2010-01	250	No
		Property Appraiser	Expenditures/Expenses	2012-02	2012-02	2012-02	189	No
C03100	<a href="#">Jackson County</a>	Board of County Commissioners	Federal Awards	BCC 2022-005	BCC 2022-005	BCC 2021-003	134	No
C05000	<a href="#">Pasco County</a>	Board of County Commissioners	Financial Reporting	2023-002	2022-002	2021-002	443	No
C05400	<a href="#">Santa Rosa County</a>	Board of County Commissioners	Revenues/Collections	2023-001	2022-001	2021-001	164	No
C05700	<a href="#">St. Johns County</a>	Board of County Commissioners	Fund Equity	MLC 2020-002	MLC 2020-002	MLC 2020-002	267	No
C05900	<a href="#">Sumter County</a>	Sheriff	Revenues/Collections	2023-001	2022-001	2021-001	199	No
<b>SPECIAL DISTRICTS</b>								
D01000	<a href="#">Alligator Point Water Resources District</a>		Financial Reporting	2023-001	2022-001	2021-001	19	No
			Separation of Duties	2023-002	2022-002	2021-002	19	No
D01100	<a href="#">Almarante Fire District</a>		General Accounting Records	2022-02	2022-02	2021-02	36	No
D02700	<a href="#">Aucilla Area Solid Waste Administration</a>		Financial Reporting	2013-1	2013-1	2013-1	36	No
D03000	<a href="#">Baker County Development Commission</a>		Separation of Duties	2023-01	2022-01	2021-001	31	No
			Financial Reporting	2023-02	2022-02	2021-002	31	No
D03100	<a href="#">Baker County Hospital District</a>		Separation of Duties	2023-001	2022-001	2021-001	24	No
			Financial Reporting	2023-002	2022-002	2021-002	24	No
D04300	<a href="#">Bay Medical Center</a>		Separation of Duties	2023-001	2022-001	2021-001	50	No
D04900	<a href="#">Beach Mosquito Control District</a>		Separation of Duties	2023-1	2022-1	2021-1	50	No
D07950	<a href="#">Brooks of Bonita Springs Community Development District</a>		Debt Administration	2023-01	2022-01	2021-01	29	No
D07960	<a href="#">Brooks of Bonita Springs II Community Development District</a>		Debt Administration	2023-01	2022-01	2021-01	31	No
D11100	<a href="#">Cedar Key Water and Sewer District</a>		Separation of Duties	2023-001	2022-001	2021-001	18	No
D16050	<a href="#">City-County Public Works Authority</a>		Separation of Duties	2023-001	2022-001	2021-001	21	No
			General Accounting Records	2023-002	2022-002	2021-002	22	No
D16490	<a href="#">Clearwater Cay Community Development District</a>		Debt Administration	2019-01	2019-01	2019-01	36	No
			Budget Administration	2020-01	2020-01	2020-01	37	No
D19630	<a href="#">Creeside Community Development District</a>		Financial Condition	2023-01	2022-01	2021-01	32	No
D19900	<a href="#">Crossings At Fleming Island Community Developmen</a>		Debt Administration	15-01	15-01	15-01	39	No
			Debt Administration	15-02	15-02	15-02	39	No
D22700	<a href="#">Doctors Memorial Hospital</a>		General Accounting Records	2023-001	2018-002	2018-002	51	No
			Cash	2023-002	2019-003	2019-003	51	No
D23370	<a href="#">Downtown / Historic Ybor Tourism Marketing District</a>		Cash	2022-002	2022-002	2021-002	29	No
			Cash	2023-001	2022-001	2021-001	28	No
D23378	<a href="#">Downtown Investment Authority</a>		General Accounting Records	2023-001	2022-001	2021-001	41	No
D29300	<a href="#">Fred R. Wilson Memorial Law Library</a>		Financial Reporting	2023-1	2011-1	2011-1	23	No
			Separation of Duties	2023-2	2011-2	2011-2	23	No
			Financial Condition	2023-3	2018-2	2018-2	23	No
D29700	<a href="#">Gadsden Soil and Water Conservation District</a>		Separation of Duties	2017-001	2017-001	2017-001	35	No

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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)
D30700	<a href="#">Gilchrist Soil and Water Conservation District</a>		Financial Reporting	2017-003	2017-003	2017-003	36	No
D36400	<a href="#">Hillsborough Soil and Water Conservation District</a>		Financial Reporting	14-01	14-01	14-01	28	No
D36500	<a href="#">Hillsborough Transit Authority</a>		Financial Reporting	2021-01	2021-01	2021-01	21	No
D37100	<a href="#">Holmes Creek Soil and Water Conservation District</a>		Financial Reporting	2023-001	2022-001	2021-001	123	No
			Separation of Duties	2003-002	2003-002	2003-002	28	No
			Financial Reporting	2007-001	2007-001	2007-001	29	No
D38800	<a href="#">Indian River Farms Water Control District</a>		Separation of Duties	2023-001	2022-001	2021-001	38	No
D39100	<a href="#">Indian River Soil and Water Conservation District</a>		Separation of Duties	2023-001	2022-001	2021-001	25	No
D40400	<a href="#">Jackson Soil and Water Conservation District</a>		Separation of Duties	2006-001	2006-001	2006-001	58	No
			Financial Reporting	2007-001	2007-001	2007-001	58	No
D40750	<a href="#">Jacksonville International Airport Area Redevelopment Agency</a>		General Accounting Records	2023-001	2022-001	2021-001	36	No
D41908	<a href="#">Keystone Heights Community Redevelopment Agency</a>		Distribution of Funds	2023-1	2022-1	2021-3	26	No
			Expenditures/Expenses	2023-2	2022-2	2021-5	29	No
D41909	<a href="#">KingSoutel Crossing Community Redevelopment Agency</a>		General Accounting Records	2023-001	2022-001	2021-001	30	No
D43600	<a href="#">Lake Lucie Community Development District</a>		Transparency Requirements	2020-02	2020-02	2020-02	29	No
D43900	<a href="#">Lake Region Lakes Management District</a>		General Accounting Records	2023-001	2022-001	2021-001	36	No
D44000	<a href="#">Lake Shore Hospital Authority</a>		Financial Reporting	2011-1	2011-1	2011-1	51	No
D44100	<a href="#">Lake Soil and Water Conservation District</a>		Financial Reporting	2021-01	2021-01	2021-01	28	No
			Information Technology	2021-02	2021-02	2021-02	29	No
D46600	<a href="#">Leon County Educational Facilities Authority</a>		Debt Administration	2023-001	2022-001	2021-001	39	No
			Debt Administration	2023-002	2022-002	2021-002	40	No
			Financial Condition	2023-003	2022-003	2021-003	42	No
D47100	<a href="#">Levy Soil and Water Conservation District</a>		Financial Reporting	13-01	13-01	13-01	28	No
D47160	<a href="#">Liberty Fire District</a>		Budget Administration	2023-01	2022-01	2021-01	37	No
			Other Control Deficiencies a	2023-03	2022-03	2021-03	37	No
			Expenditures/Expenses	2023-05	2022-05	2021-05	38	No
			General Accounting Records	2023-06	2022-06	2021-06	38	No
D48100	<a href="#">Madison County Soil and Water Conservation District</a>		Financial Reporting	15-01	15-01	15-01	28	No
D49500	<a href="#">Marion County Law Library</a>		Separation of Duties	2023-1	2022-1	2021-1	24	No
			General Accounting Records	2023-2	2022-2	2021-2	24	No
			Budget Administration	2023-3	2022-3	2021-3	24	No
D49700	<a href="#">Marion Soil and Water Conservation District</a>		Financial Reporting	16-01	16-01	16-01	28	No
D50407	<a href="#">Meadow Pointe IV Community Development District</a>		Debt Administration	2023-01	2022-01	13-01	36	No
D52900	<a href="#">Moore Haven Mosquito Control District</a>		Financial Reporting	2023-001	2020-001	2011-001	43	No
			General Accounting Records	2023-002	2020-002	2011-002	44	No
D67000	<a href="#">Municipal Service District of Ponte Vedra Beach</a>		Financial Reporting	2023-001	2022-001	2021-001	31	No
D62240	<a href="#">Panama City Beach Community Redevelopment Agency</a>		Budget Administration	2023-001	2022-001	2021-001	30	No
D67650	<a href="#">Port Orange Town Center Community Redevelopment Agency</a>		Financial Condition	2023-001	2022-001	2021-001	22	No
D67825	<a href="#">Portofino Isles Community Development District</a>		Financial Condition	2022-01	2022-01	2014-01, 2015-01,	33	No
D67835	<a href="#">Portofino Vista Community Development District</a>		Financial Condition	2023-01	2022-01	2021-01	32	No
D68600	<a href="#">Putnam Soil and Water Conservation District</a>		Financial Reporting	16-01	16-01	16-01	28	No
D69430	<a href="#">Renew Arlington Community Redevelopment Agency</a>		General Accounting Records	2023-001	2022-001	2021-001	31	No
D69450	<a href="#">Reunion East Community Development District</a>		Debt Administration	2023-01	2021-01	2021-01	34	No

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D70010	<a href="#">Riverwood Estates Community Development District</a>		Debt Administration	12-01	12-01	12-01	33	No
			Debt Administration	12-02	12-02	12-02	32	No
			Financial Reporting	12-03	12-03	12-03	34	No
D70265	<a href="#">SWI Community Development District</a>		Debt Administration	2023-001	2022-001	2021-001	31	No
D74900	<a href="#">South Seminole and North Orange County Wastewater Transmission Authority</a>		Separation of Duties	2023-01	2022-01	2021-01	48	No
D75200	<a href="#">South Village Community Development District</a>		Budget Administration	21-01	21-01	21-01	43	No
D77050	<a href="#">St. Lucie County Fire District</a>		Revenues/Collections	2021-1	2021-1	2021-1	62	No
D78210	<a href="#">Sterling Hill Community Development District</a>		Debt Administration	12-03	12-03	12-03	32	No
			Debt Administration	12-04	12-04	12-04	33	No
D78220	<a href="#">Stevens Plantation Community Development District</a>		Debt Administration	2023-01	2022-02	2021-01	31	No
D79650	<a href="#">Suwannee County Conservation District</a>		Financial Reporting	12-01	12-01	12-01	29	No
D81610	<a href="#">Taylor Coastal Water and Sewer District</a>		Financial Reporting	2010-1	2010-1	2010-1	34	No
D81700	<a href="#">Taylor County Development Authority</a>		Financial Reporting	2022-1	2021-1	2017-1	46	No
D83000	<a href="#">Tri-County Airport Authority</a>		Financial Reporting	2007-001	2007-001	2007-001	23	No
D89050	<a href="#">Westside Community Development District</a>		Debt Administration	2011-01	2011-01	2011-01	35	No
D89820	<a href="#">Woodlands Community Development District, The</a>		Debt Administration	13-01	13-01	13-01	32	No
			Financial Condition	13-02	13-02	13-02	32	No
D90100	<a href="#">Yellow River Soil and Water Conservation District</a>		Separation of Duties	2017-01	2017-01	2017-005	31	No
<b>MUNICIPALITIES</b>								
M00200	<a href="#">Alford, Town of</a>		Separation of Duties	2007-002	2007-002	2007-002	59	No
			Payroll and Personnel Adm	2010-001	2010-001	2010-001	59	No
M03400	<a href="#">Bonifay, City of</a>		Financial Reporting	2023-001	2022-001	2021-001	57	No
			General Accounting Records	2023-002	2022-002	2021-003	58	No
M03500	<a href="#">Bowling Green, City of</a>		General Accounting Records	2023-01	2022-01	2021-01	65	No
M04200	<a href="#">Bronson, Town of</a>		Separation of Duties	2023-1	2022-1	2021-1	36	No
			Financial Reporting	2023-2	2022-3	2021-4	36	No
M04600	<a href="#">Bushnell, City of</a>		Separation of Duties	2008-1	2008-1	2008-2	109	No
M05700	<a href="#">Center Hill, City of</a>		Separation of Duties	2020-1	2020-1	2020-1	35	No
M05800	<a href="#">Century, Town of</a>		Cash	2022-001	2022-001	2021-001	48	No
			General Accounting Records	2022-002	2022-002	2021-002	49	No
			Fixed Assets	2022-003	2022-003	2021-003	49	No
			Financial Condition	2022-004	2022-004	2021-004	50	No
M06700	<a href="#">Cocoa Beach, City of</a>		Revenues/Collections	2023-004	MW 2022-002	MW 2021-001	166	No
			Revenues/Collections	2023-006	IC 2022-005	IC 2021-010	170	No
M07000	<a href="#">Coleman, City of</a>		Financial Reporting	2023-1	2022-1	2021-1	63	No
			Separation of Duties	2023-2	2022-2	2021-2	63	No
M07400	<a href="#">Cottondale, City of</a>		Separation of Duties	2003-001	2003-001	2003-001	54	No
M08300	<a href="#">Daytona Beach, City of</a>		Budget Administration	2023-005	2019-002	2019-002	229	No
M08900	<a href="#">Delray Beach, City of</a>		Payroll and Personnel Adm	SD 2021-001	SD 2021-001	SD 2021-001	220	No
M10200	<a href="#">Eustis, City of</a>		Information Technology	2023-1	2021-1	2021-1	202	No
M10700	<a href="#">Flagler Beach, City of</a>		Fund Equity	2023-002	2022-005	2021-005	75	No
M11000	<a href="#">Fort Meade, City of</a>		Budget Administration	2023-05	2022-01	2021-2	112	No

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M12100	<a href="#">Glen St. Mary, Town of</a>		Separation of Duties	2023-001	2022-001	2021-001	46	No
			Financial Reporting	2023-002	2022-002	2021-002	46	No
M12300	<a href="#">Golf, Village of</a>		Budget Administration	2021-01	2021-01	2021-01	78	No
M12500	<a href="#">Graceville, City of</a>		Separation of Duties	2006-001	2006-001	2006-001	64	No
			Financial Reporting	2007-001	2007-001	2007-001	64	No
M12900	<a href="#">Greensboro, Town of</a>		Separation of Duties	2023-001	2022-001	2021-001	47	No
			General Accounting Records	2023-002	2022-002	2021-002	47	No
M13100	<a href="#">Greenwood, Town of</a>		Financial Reporting	2007-001	2007-001	2007-001	43	No
M13900	<a href="#">Hampton, City of</a>		Revenues/Collections	2023-001	2022-001	2021-003	31	No
M14500	<a href="#">Hialeah, City of</a>		Financial Condition	SD2015-02	2015-02	2015-02	207	No
M15000	<a href="#">Hilliard, Town of</a>		Financial Reporting	2009-1	2009-1	2009-1	83	No
M15600	<a href="#">Horseshoe Beach, Town of</a>		Financial Reporting	2011-1	2011-1	2011-1	44	No
M16600	<a href="#">Interlachen, Town of</a>		Financial Reporting	2023-001	2022-001	2021-001	36	No
M16900	<a href="#">Jacksonville, City of</a>		General Accounting Records	2023-001	2022-001	2021-001	225	No
M17300	<a href="#">Jay, Town of</a>		General Accounting Records	2023-1	2022-1	2021-1	52	No
			Fund Equity	2023-2	2022-2	2021-2	53	No
M18300	<a href="#">Keystone Heights, City of</a>		General Accounting Records	2023-001	2022-001	2021-001	47	No
M21600	<a href="#">Lynn Haven, City of</a>		General Accounting Records	2023-001	2022-001	2021-001	74	No
M21700	<a href="#">Macclenny, City of</a>		Separation of Duties	2023-001	2022-001	2021-001	67	No
M21900	<a href="#">Madison, City of</a>		Financial Reporting	2012-1	2012-1	2012-1	77	No
M22000	<a href="#">Maitland, City of</a>		Information Technology	2023-002	2022-003	2019-002	143	No
M22100	<a href="#">Malabar, Town of</a>		General Accounting Records	2023-001	2022-001	2021-001	36	No
M22200	<a href="#">Malone, Town of</a>		Separation of Duties	2004-001	2004-001	2004-001	45	No
			Financial Reporting	2007-001	2007-001	2007-001	45	No
M23100	<a href="#">McIntosh, Town of</a>		Financial Reporting	2019-1	2019-1	2019-1	39	No
M24700	<a href="#">Montverde, Town of</a>		Financial Reporting	ML 2023-01	ML 2022-01	ML 2021-01	50	No
M26500	<a href="#">Oak Hill, City of</a>		Separation of Duties	2023-005	SD01(2009)	SD01(2009)	64	No
M26600	<a href="#">Oakland, Town of</a>		General Accounting Records	10-05	10-05	10-05	68	No
M28000	<a href="#">Otter Creek, Town of</a>		Financial Reporting	2011-1	2011-1	2011-01	41	No
			Cash	2021-1	2021-1	2021-1	43	No
M29500	<a href="#">Paxton, City of</a>		Financial Reporting	2023-01	2022-01	2021-01	53	No
			Separation of Duties	2023-02	2022-02	2021-02	53	No
M30100	<a href="#">Pierson, Town of</a>		Financial Reporting	2009-01	2009-01	2009-01	40	No
			Separation of Duties	2009-02	2009-02	2009-02	41	No
M30600	<a href="#">Polk City, City of</a>		Cash	2021-01	2021-01	2021-01	68	No
M30700	<a href="#">Pomona Park, Town of</a>		General Accounting Records	2023-001	2022-001	2021-001	31	No
			Financial Reporting	2023-002	2022-002	2021-002	32	No
M34300	<a href="#">Springfield, City of</a>		General Accounting Records	2023-001	2022-001	2021-001	88	No
			Financial Reporting	2023-002	2022-002	2021-002	88	No
			Cash	2023-003	2022-003	2021-003	89	No
			General Accounting Records	2023-004	2022-004	2021-005	89	No
			General Accounting Records	2023-005	2022-005	2021-006	90	No
			Separation of Duties	2023-006	2022-006	2021-004	91	No

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M34500	<a href="#">St. Augustine Beach, City of</a>		Revenues/Collections	2023-007	2022-008	2021-009	92	No
M34600	<a href="#">St. Cloud, City of</a>		Revenues/Collections	2023-001	2022-001	2021-003	44	No
M34800	<a href="#">St. Lucie Village, Town of</a>		Debt Administration	2023-1	2022-1	2021-1	169	No
M34900	<a href="#">St. Marks, City of</a>		Separation of Duties	2016-1	2016-1	2016-1	19	No
M35500	<a href="#">Surfside, Town of</a>		Separation of Duties	2023-001	2022-001	2021-001	38	No
M38000	<a href="#">West Melbourne, City of</a>		Financial Condition	MLC 2020-001	MLC 2020-001	MLC 2020-001	132	No
M38500	<a href="#">Wewahitchka, City of</a>		Fund Equity	2023-002	2022-003	MC 2019-001	169	No
M39000	<a href="#">Windermere, Town of</a>		Financial Reporting	2011-1	2011-1	2011-1	54	No
M39600	<a href="#">Yankeetown, Town of</a>		Financial Reporting	23-01	22-01	21-01	40	No
			Policies and Procedures	2023-001	2022-001	2021-001	38	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 2022-23 fiscal year audit report that should be viewed.

**Additional Information:**

Century, Town of (entity ID M05800) has four findings (2022-001, 2022-002, 2022-003, 2022-004) in the 2022-23 fiscal year audit report identified as uncorrected findings from the 2021-22 fiscal. However, the auditor did not note that the finding was identified as uncorrected in the two previous fiscal years. We contacted the auditor for clarification; however, as of the date of this notification, the auditor had not responded.