SANTA ROSA COUNTY, FLORIDA

SINGLE AUDIT REPORT

SEPTEMBER 30, 2023

Warren Averett
CPAs AND ADVISORS
www.warrenaverett.com

The report accompanying this deliverable was issued by Warren Averett, LLC.

SANTA ROSA COUNTY, FLORIDA
SINGLE AUDIT REPORT
TABLE OF CONTENTS
SEPTEMBER 30, 2023

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND STATE PROJECT AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE AND CHAPTER 10.550, *RULES OF THE AUDITOR GENERAL* 1

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE 4

NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE 8

SCHEDULE OF FINDINGS AND QUESTIONED COSTS 9

SCHEDULE OF PRIOR YEAR FINDINGS 12

CORRECTIVE ACTION PLAN 13

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INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND STATE PROJECT AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE AND CHAPTER 10.550, *RULES OF THE AUDITOR GENERAL*

Board of County Commissioners
Santa Rosa County, Florida

Report on Compliance for Each Major Federal Program and State Project

Opinion on Each Major Federal Program and State Project

We have audited Santa Rosa County, Florida's (hereinafter referred to as "County") compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement*, and the requirements described in the State of Florida Department of Financial Services' *State Projects Compliance Supplement* that could have a direct and material effect on each of the County's major federal programs and state projects for the year ended September 30, 2023. The County's major federal programs and state projects are identified in the summary of auditor results section of the accompanying schedule of findings and questioned costs.

In our opinion, the County complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs and state projects for the year ended September 30, 2023.

Basis for Opinion on Each Major Federal Program and State Project

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the audit requirements of Title 2 *U.S. Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance); and Chapter 10.550*, Rules of the Auditor General*. Our responsibilities under those standards, the Uniform Guidance and Chapter 10.550, *Rules of the Auditor General,* are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the County and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program and state project. Our audit does not provide a legal determination of the County's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the County's federal programs and state projects.

Auditors' Responsibilities for the Audit of Compliance
Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the County's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, the Uniform Guidance and Chapter 10.550, *Rules of the Auditor General,* will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the County's compliance with the requirements of each major federal program and state project as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, the Uniform Guidance and Chapter 10.550, *Rules of the Auditor General*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the County's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.

- Obtain an understanding of the County's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance and the Florida Department of Financial Services *State Projects Compliance Supplement,* but not for the purpose of expressing an opinion on the effectiveness of the County's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control over Compliance
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 of a federal program or state project on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program or state project will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program or state project that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditors' Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance and Chapter 10.550, *Rules of the Auditor General*

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Santa Rosa County, Florida, as of and for the year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the County's basic financial statements. We issued our report thereon dated March 18, 2024, which contained unmodified opinions on those financial statements. Our audit was performed for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying Schedule of Expenditures of Federal Awards and State Financial Assistance is presented for the purpose of additional analysis as required by the Uniform Guidance and Chapter 10.550, *Rules of the Auditor General*, and is not a required part of the basic financial statements.

Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenditures of Federal Awards and State Financial Assistance is fairly stated in all material respects in relation to the basic financial statements as a whole.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance and Chapter 10.550, *Rules of the Auditor General*. Accordingly, this report is not suitable for any other purpose.

Warren Averett, LLC

Pensacola, Florida
March 18, 2024

SANTA ROSA COUNTY, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE
FOR THE YEAR ENDED SEPTEMBER 30, 2023

Federal Grantor / Pass-Through Grantor / Program Title	Assistance Listing	Contract / Grant Number	Expenditures	Passed Through to Subrecipients
U.S. Department of Commerce				
Passed Through Florida Department of Environmental Protection				
Office for Coastal Management	11.473	0318.22.069548	$ 62,495	$ -
Office for Coastal Management	11.473	0318.22.074507	17,673	-
			80,168	-
U.S. Department of Housing and Urban Development				
Passed Through Florida Department of Commerce				
Community Development Block Grant	14.228	22DB-OP-01-27-01-N14	20,500	-
Passed Through Escambia County Consortium				
Home Investment Partnerships Program	14.239	M-14-DC-12-0225	173,063	-
U.S. Department of Agriculture				
Passed Through Natural Resources Conservation Service Florida				
Natural Resource Damage Assessment and Restoration	15.658	N1220CPT0011021	19,356	-
U.S. Department of Justice				
Passed Through Florida Office of the Attorney General				
Crime Victim Assistance	16.575	VOCA-2022-710	160,458	-
Direct Program				
Edward Byrne Memorial Justice Assistance Grant Program	16.738	C-8C123:SRCBOC TF	79,521	-
Direct Program				
Equitable Sharing Program	16.922	N/A	24,023	-
U.S. Department of Transportation Federal Aviation Administration				
Direct Program				
COVID-19 Airport Improvement Program	20.106	3-12-0052-019-2022	2,160	-
Airport Improvement Program	20.106	3-12-0052-020-2022	107,098	-
			109,258	-
U.S. Department of Transportation				
Passed Through Florida Dept. of Transportation				
Highway Planning and Construction	20.205	G1Z40	49,926	-
Passed Through Florida Dept. of Transportation				
Formula Grants for Rural Areas	20.509	G1M17	100,262	100,262
Highway Safety Cluster				
Passed Through Florida Dept. of Transportation				
State and Community Highway Safety	20.600	SC-2023-00006	97,741	-
Passed Through Florida Dept. of Transportation				
National Priority Safety Programs	20.616	M5HVE-2023-00007	18,203	-
Total Highway Safety Cluster			115,944	-
U.S. Department of the Treasury				
Direct Program				
RESTORE Act	21.015	1 RDCGR210076-01-00	10,367	10,367
RESTORE Act	21.015	1 RDCGR210100-01-00	148,472	148,472
			158,839	158,839
Direct Program				
Coronavirus State and Local Fiscal Recovery Funds	21.027	SLT-1712	11,233,867	-

(Continued)

The accompanying notes are an integral part of this schedule.

SANTA ROSA COUNTY, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
FOR THE YEAR ENDED SEPTEMBER 30, 2023

Federal Grantor / Pass-Through Grantor / Program Title	Assistance Listing	Contract / Grant Number	Expenditures	Passed Through to Subrecipients
U.S. Environmental Protection Agency (EPA)				
Direct Program				
Gulf of Mexico Program	66.475	RDCGR210124	$ 33,078	$ 33,078
Gulf Ecosystem Restoration Council				
Passed Through Florida Department of Environmental Protection				
Gulf Coast Ecosystem Restoration Council Oil Spill Impact Program	87.052	GNSP22FL0036	51,003	51,003
U.S. Election Assistance Commission				
Passed Through Florida Dept. of State				
COVID-19 Help America Vote Act Election Security Grants	90.404	3E055	97,350	-
U.S. Department of Health and Human Services				
Passed Through Florida Dept. of Revenue				
Child Support Enforcement Program	93.563	COC57	280,555	-
Child Support Enforcement Program	93.563	CSU57	11,223	-
			291,778	-
Executive Office of the President				
Passed Through Office of National Drug Policy				
High Intensity Drug Trafficking Areas Program	95.001	G20GC0007A/G21GC0007A/ G22GC0007A	117,343	98,850
U.S. Department of Homeland Security				
Passed Through Florida Division of Emergency Management				
Flood Mitigation Assistance	97.029	B0074	265,591	-
Passed Through Florida Division of Emergency Management				
Disaster Grants - Public Assistance SALLY	97.036	Z2563	283,405	-
Disaster Grants - Public Assistance IAN (D) (P)	97.036	Mission-01239	259,123	-
Disaster Grants - Public Assistance IDALIA (D) (P)	97.036	Mission-0871	289,026	-
			831,554	-
Passed Through Florida Division of Emergency Management				
Hazard Mitigation Grant	97.039	H0702	1,280,325	-
Hazard Mitigation Grant	97.039	H0854	16,785	-
			1,297,110	-
Passed Through Volunteer Florida				
Emergency Management Performance Grant	97.042	G0396	79,640	-
Emergency Management Performance Grant	97.042	CC 23-01	5,000	-
			84,640	-
Passed Through Florida Division of Emergency Management				
Homeland Security Grant Program	97.067	R0560	38,825	-
Homeland Security Grant Program	97.067	R0432	41,864	-
Homeland Security Grant Program	97.067	R0468	8,673	-
Homeland Security Grant Program	97.067	R0579	8,170	-
			97,532	-
TOTAL FEDERAL AWARDS			$ 15,492,164	$ 442,032

(Continued)

The accompanying notes are an integral part of this schedule.

SANTA ROSA COUNTY, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
FOR THE YEAR ENDED SEPTEMBER 30, 2023

State Grantor / Pass-Through Grantor / Program Title	Assistance Listing	Contract / Grant Number	Expenditures	Passed Through to Subrecipients
Florida Division of Emergency Management				
Emergency Management Programs	31.063	A0399	$ 24,011	$ -
Emergency Management Programs	31.063	A0262	82,476	-
			106,487	-
Emergency Management Projects - Hazards Analysis	31.067	T0215	4,359	-
Florida Department of Environmental Protection				
Statewide Water Quality Restoration Projects	37.039	LPA0379	300,000	-
Resilient Florida Program	37.098	22PLN39	73,802	-
Resilient Florida Program	37.098	22PLN40	60,000	-
			133,802	-
Florida Water Estuary Program Projects	37.110	FY2023	44,256	-
Florida Department of Economic Opportunity				
Division of Housing and Community Development	40.038	HL139	348,082	-
Economic Development Partnerships	40.040	S0197	50,460	-
Florida Housing Finance Corporation				
State Housing Initiative Partnership Program	40.901	N/A	1,656,642	-
Florida Department of Education				
Coach Aaron Feis Guardian Program	48.140	89G-90210-3D001	38,897	-
Florida Department of Agriculture and Consumer Services				
Mosquito Control	42.003	29358	38,892	-
Florida Department of State				
Florida Endowment for the Humanities	45.011	CC SRP23 SRCL 2313	1,500	-
State Aid to Libraries	45.030	23-ST-75	41,703	-
Florida Department of Transportation				
Aviation Grant Program	55.004	G2K10	31,890	-
Small County Outreach Program (SCOP)	55.009	G2E02	153,320	-
Transportation Regional Incentive Program (TRIP)	55.026	G1U28	61,249	-
Florida Department of Health				
County Grant Awards	64.005	C1055	19,153	-
Florida Department of Law Enforcement				
Florida Incident Based Reporting System	71.043	2021-FBSFA-F2-038	10,358	-
Florida Department of Management Services				
E911 State Grant Program	72.002	S14-19-12-15	12,150	-
Prepaid Next Generation 911 (NG911) State Grant Program	72.003	S17-21-02-66	83,148	-
Prepaid Next Generation 911 (NG911) State Grant Program	72.003	S17-21-02-67	103,313	-
Prepaid Next Generation 911 (NG911) State Grant Program	72.003	S20-21-12-15	89,591	-
			276,052	-

(Continued)

The accompanying notes are an integral part of this schedule.

SANTA ROSA COUNTY, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND
STATE FINANCIAL ASSISTANCE
FOR THE YEAR ENDED SEPTEMBER 30, 2023

State Grantor / Pass-Through Grantor / Program Title	Assistance Listing	Contract / Grant Number	Expenditures	Passed Through to Subrecipients
Florida Fish and Wildlife Conservation Commission				
Florida Boating Improvement Program	77.006	FWC-20109	12,500	-
TOTAL STATE AWARDS			$ 3,341,752	$ -
TOTAL FEDERAL AND STATE AWARDS			$ 18,833,916	$ 442,032

The accompanying notes are an integral part of this schedule.

SANTA ROSA COUNTY, FLORIDA
NOTES TO THE SCHEDULE OF EXPENDITURES OF
FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
FOR THE YEAR ENDED SEPTEMBER 30, 2023

1. BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards and State Financial Assistance (the Schedule) includes the federal and state grant activity of Santa Rosa County, Florida, under programs of the federal and state government for the year ended September 30, 2023. The information in this Schedule is presented in accordance with the requirements of Title 2 *U.S. Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements*, *Cost Principles*, and *Audit Requirements for Federal Awards* (Uniform Guidance), Chapter 69I-5, State Financial Assistance, Rules of the Department of Financial Services, and Chapter 10.550, *Rules of the Auditor General*. Therefore, some amounts presented in this Schedule may differ from amounts presented in or used in the preparation of the basic financial statements.

2. SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance and Chapter 69I-5, State Financial Assistance, Rules of the Department of Financial Services, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Santa Rosa County, Florida, elected to utilize the ten percent de minimis indirect cost rate allowed under the Uniform Guidance.

3. EXPENDITURES INCURRED IN PRIOR FISCAL YEAR

Total Federal Assistance Listing No. 97.036 expenditures of $283,405 were incurred in a prior fiscal year and obligated by FEMA in the current fiscal year.

SANTA ROSA COUNTY, FLORIDA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED SEPTEMBER 30, 2023

A. SUMMARY OF AUDITOR RESULTS

FINANCIAL STATEMENTS

Type of auditors' report issued:	Unmodified Opinion
Internal control over financial reporting:	
Material weakness(es) identified?	✔ yes ____ no
Significant deficiency (ies) identified that are not considered to be material weakness(es)?	____ yes ✔ none reported
Noncompliance material to financial statements noted?	____ yes ✔ no

FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE

Internal control over major programs:	
Material weakness(es) identified?	____ yes ✔ no
Significant deficiency (ies) identified that are not considered to be material weakness(es)?	____ yes ✔ none reported
Type of auditors' report issued on compliance for major programs:	Unmodified opinion
Any audit findings disclosed that are required to be reported in accordance with the Uniform Guidance or Chapter 10.550, *Rules of the Auditor General*?	____ yes ✔ no

IDENTIFICATION OF MAJOR PROGRAMS

Federal Programs

Federal Assistance Listing No. 21.027 Coronavirus State and Local Fiscal Recovery Funds
Federal Assistance Listing No. 97.039 Hazard Mitigation Grant

Dollar threshold used to distinguish between type A and type B programs:	$750,000
Auditee qualified as low-risk auditee?	____ yes ✔ no

A. SUMMARY OF AUDITOR RESULTS – CONTINUED

State Projects

State Assistance Listing No. 40.901 State Housing Initiative Partnership Program
State Assistance Listing No. 72.003 Prepaid Next Generation (NG911) State Grant

Dollar threshold used to distinguish
between type A and type B programs: $750,000

B. FINANCIAL STATEMENT FINDING

Finding required to be reported in accordance with *Government Auditing Standards*:

FINDING 2023-001 GRANT REVENUE RECOGNITION (RECURRING) – MATERIAL WEAKNESS

Criteria
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.

Condition
Supporting documentation for grant revenues and expenditures did not reconcile to the accounting records and to the Schedule of Expenditures of Financial Awards (SEFA).

Cause
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, that 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 SEFA required by the Uniform Guidance.

Effect
Adjustments were required to properly reconcile grant activity for financial reporting purposes and to prepare the SEFA.

Recommendation
Management should 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. These policies should reflect who is responsible for preparing and reviewing the reconciling schedule of grant activities for financial reporting purposes as well as preparation of the SEFA.

B. FINANCIAL STATEMENT FINDING – CONTINUED

Views of Responsible Officials
We have reviewed the report and are pleased that you found the County complied with the types of requirements identified in OMB *Compliance Supplement* and the requirements described in the State of Florida Department of Financial Services' *State Projects Compliance Supplement* that could have a direct and material effect on each of our major federal programs and state projects for the year ended September 30, 2023. To ensure we continue to maintain compliance with these standards, the Board of County Commissioner's staff plan to take the following actions.

- Establish Compliance Policies and Procedures in the Grant Manual to ensure review of expenditures and revenues on a regular basis in accordance with GASB Statement No. 33.
    - With the separation of the financial responsibilities between the Clerk Comptroller and the Board of County Commissioners (BOCC), it is imperative to clearly identify and communicate who the responsible party is for reconciling grant revenues and expenditures.
- Establish a reporting system that easily identifies discrepancies or irregularities in revenues versus expenditures.
    - With the increase of grant funding in the last several years, the Clerk Comptroller current finance system has not allowed for the quick review of the various grants managed by various departments. Implementation of separate system is currently underway and will provide the reporting capability necessary to quickly review revenues and expenditures per grant project.
- Attend training provided by the Clerk Comptroller or assigned personnel related to the preparation of the SEFA.
    - The Single Audit Report for the fiscal year ending September 30, 2022, outlined training that would be provided to ensure future compliance. BOCC staff are eager to attend the training when scheduled.

C. FINDINGS AND QUESTIONED COSTS – MAJOR FEDERAL PROGRAM

There were no findings, which were required to be reported in accordance with the Uniform Guidance.

D. FINDINGS AND QUESTIONED COSTS – MAJOR STATE FINANCIAL ASSISTANCE

There were no findings, which were required to be reported in accordance with Chapter 10.550, *Rules of the Auditor General*.

DONALD C. SPENCER
CLERK OF THE CIRCUIT COURT & COMPTROLLER
SANTA ROSA COUNTY, FLORIDA

Clerk of the County Court & Comptroller
Recorder of Deeds
Clerk and Accountant of the Board of County Commissioners
Custodian of County Funds
County Auditor

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SANTA ROSA COUNTY, FLORIDA
SCHEDULE OF PRIOR YEAR FINDINGS
FOR THE YEAR ENDED SEPTEMBER 30, 2023

SCHEDULE OF PRIOR YEAR FINDINGS

FINDING 2022-001 GRANT REVENUE RECOGNITION

Condition
During 2022 audit procedures, supporting documentation for grant revenues and expenditures did not reconcile to the accounting records and to the Schedule of Expenditures of Financial Awards (SEFA).

Current Status
A similar finding was noted during the 2023 audit procedures. See Finding 2023-001.

DONALD C. SPENCER
CLERK OF THE CIRCUIT COURT & COMPTROLLER
SANTA ROSA COUNTY, FLORIDA

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SANTA ROSA COUNTY, FLORIDA
CORRECTIVE ACTION PLAN
FOR THE YEAR ENDED SEPTEMBER 30, 2023

The County respectfully submits the following corrective action plan for the year ended September 30, 2023.

Name and address of independent public accounting firm:
Warren Averett, LLC
350 W Cedar Street, Suite 400
Pensacola, Florida 32502

The finding from the schedule of findings and questioned costs for the year ended September 30, 2023, is discussed below. The finding is numbered consistently with the number assigned in the schedule of findings and questioned costs.

Name of Contact Person for Completing Corrective Action Plan:
Robert Miller, Senior Accountant
(850) 983-1963
millerr@santarosaclerks.com

Expected date of completion is September 30, 2024.

FINDING 2023-001 GRANT REVENUE RECOGNITION (RECURRING)

Management's Response:

We have reviewed the report and are pleased that you found the County complied with the types of requirements identified in OMB *Compliance Supplement* and the requirements described in the State of Florida Department of Financial Services' *State Projects Compliance Supplement* that could have a direct and material effect on each of our major federal programs and state projects for the year ended September 30, 2023. To ensure we continue to maintain compliance with these standards, the Board of County Commissioner's staff plan to take the following actions.

- Establish Compliance Policies and Procedures in the Grant Manual to ensure review of expenditures and revenues on a regular basis in accordance with GASB Statement No. 33.

DONALD C. SPENCER
CLERK OF THE CIRCUIT COURT & COMPTROLLER
SANTA ROSA COUNTY, FLORIDA

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SANTA ROSA COUNTY, FLORIDA
CORRECTIVE ACTION PLAN
FOR THE YEAR ENDED SEPTEMBER 30, 2023

- With the separation of the financial responsibilities between the Clerk Comptroller and the Board of County Commissioners (BOCC), it is imperative to clearly identify and communicate who the responsible party is for reconciling grant revenues and expenditures.

- Establish a reporting system that easily identifies discrepancies or irregularities in revenues versus expenditures.

  - With the increase of grant funding in the last several years, the Clerk Comptroller current finance system has not allowed for the quick review of the various grants managed by various departments. Implementation of separate system is currently underway and will provide the reporting capability necessary to quickly review revenues and expenditures per grant project.

- Attend training provided by the Clerk Comptroller or assigned personnel related to the preparation of the SEFA.

  - The Single Audit Report for the fiscal year ending September 30, 2022, outlined training that would be provided to ensure future compliance. BOCC staff are eager to attend the training when scheduled.