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October 26, 2020

Donald C. Spencer  
Clerk of the Circuit Court and Comptroller  
6495 Caroline Street  
Milton, Florida 32570

**Re:** Jay Volunteer Fire Department Review

Please find enclosed the report on our review of the Jay Volunteer Fire Department's use of MSBU funds for the period October 1, 2018 through September 30, 2019. The objective of the review was to evaluate expenditures by the VFD from the MSBU allocation. Expenditures were evaluated to determine whether they were an appropriate use of MSBU funds as delineated in the budget adopted by Santa Rosa County.

During my review, I worked with the treasurer of the Jay VFD who was helpful to me during my review.

The report was generally good. Expenditures were properly supported and appropriate.

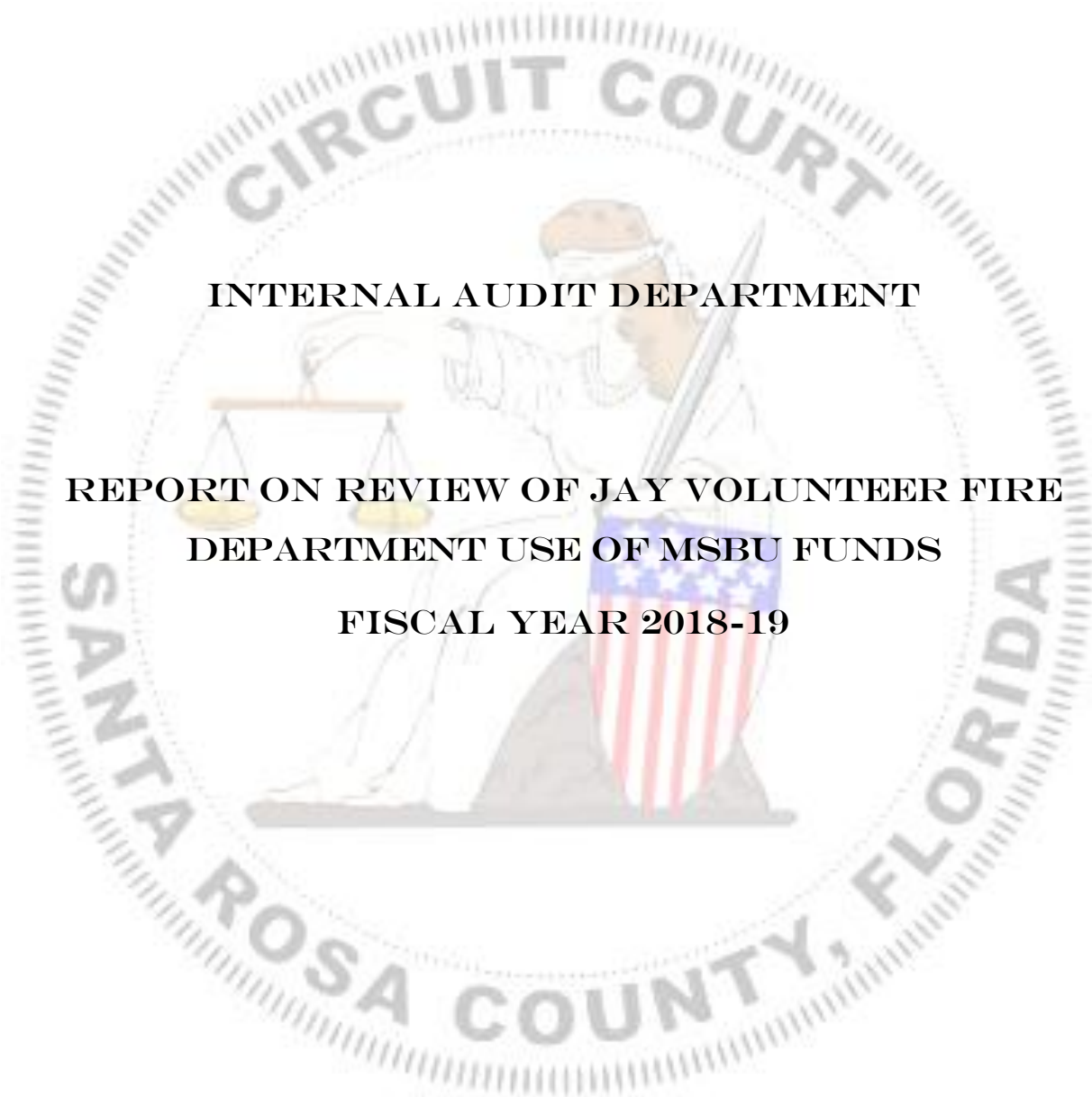
Please contact me should you have any questions.

Respectfully,

Samuel S. Scallan, Director Internal Audit  
Santa Rosa County Clerk of Courts

**CC:** Jay Volunteer Fire Department  
Dan Schebler, County Administrator  
Mark Murray, Assistant County Administrator  
Brad Baker, Public Safety Director  
Deb Grinde Emergency Management  
Tom Lloyd, EMS Operations Chief  
Michael Burton, Finance Director

**SANTA ROSA COUNTY  
CLERK OF THE CIRCUIT COURT AND  
COMPTROLLER**



**INTERNAL AUDIT DEPARTMENT**

**REPORT ON REVIEW OF JAY VOLUNTEER FIRE  
DEPARTMENT USE OF MSBU FUNDS**

**FISCAL YEAR 2018-19**

**REPORT NUMBER BCC 19-15**

**REPORT ISSUED OCTOBER 26, 2020**

**ISSUED BY: SAMUEL SCALLAN, DIRECTOR INTERNAL AUDIT**

## **Report on Review of Jay Volunteer Fire Department Use of MSBU Funds Fiscal Year 2018-19**

We have conducted a limited scope review of the Jay Volunteer Fire Department. Our work flows from language contained in Ordinance 90-23 providing for an audit of expenditures of MSBU funds to confirm proper expenditure of those funds. Our review was conducted in accordance with Standards for the Professional Practice of Internal Auditing promulgated by the Institute of Internal Auditors.

### **Background**

The Jay Volunteer Fire Department is a Florida not-for-profit corporation incorporated under the rules of Florida. Its corporate status is current.

Jay Volunteer Fire Department (VFD) was included in the Santa Rosa County Fire Protection Municipal Service Benefit Unit (MSBU) on May 24, 1990 in accordance with County Ordinance 90-23. Each year, the VFD submits a budget request to the County. The final adopted budget for Jay is advanced to them in twelve monthly payments. Funds budgeted to Jay for the 2018-19 fiscal year were \$163,450.00.

### **Objectives and Scope**

The objective of our audit was to evaluate expenditures by the VFD from the MSBU allocation. Expenditures were evaluated to determine whether they were an appropriate use of MSBU funds as delineated in the budget adopted by Santa Rosa County. The period covers debits and checks issued and dated between October 1, 2018 and September 30, 2019.

This was a limited scope audit, the purpose of which was to determine whether the VFD expended MSBU funds in accordance with the budget adopted by Santa Rosa County and to ensure that expenditures were an appropriate use of MSBU funds. Our work is not an audit of financial statements of the VFD the purpose of which is to issue an opinion on those financial statements and accordingly we have not issued such an opinion.

## **Methodology**

For the period under review we obtained relevant accounting records and supporting documentation from the treasurer for the VFD. We selected a random sample of expenditures for the period under review. For those examined, we observed images of the cancelled check to confirm the payee. We examined supporting documentation for sufficiency and whether the expenditure was an appropriate use of MSBU Funds. In addition, we traced payments made by Santa Rosa County to bank statements provided by the VFD.

While not part of our review, and to the extent we encounter them, we assessed internal controls in place for design and effectiveness.

## **Conclusions**

Based on our work we have concluded that the Jay Volunteer Fire Department expended all funds received from the County pursuant to the budget approved by the County. Expenditures examined were properly supported and appropriate.

All County MSBU distributions to the VFD were deposited in the Jay Volunteer Fire Department bank account at Escambia County Bank.

Work papers are available for further review.

End of Report