

AUDITOR GENERAL ANNUAL REPORT 2020

November 1, 2019, Through October 31, 2020



LEGISLATIVE AUDITING COMMITTEE

2018 – 2020



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The Legislative Auditing Committee is established by Joint Rules of the Florida Legislature and its membership consists of members appointed from each house. The Committee may direct the Auditor General to conduct an audit, review, or examination of any entity or record as specified in Section 11.45(3), Florida Statutes. This includes State agencies, counties, municipalities, special districts, school districts, charter schools, and numerous other government organizations, as well as nongovernmental agencies, corporations, and persons who have received any appropriation made by the Legislature.



Sherrill F. Norman, CPA
Auditor General

AUDITOR GENERAL STATE OF FLORIDA

Claude Denson Pepper Building, Suite G74
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Tallahassee, Florida 32399-1450



Phone: (850) 412-2722
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December 1, 2020

The Honorable Wilton Simpson
President of the Senate
409 The Capitol
Tallahassee, Florida 32399-1100

The Honorable Chris Sprowls
Speaker of the House of Representatives
420 The Capitol
Tallahassee, Florida 32399-1300

Dear President Simpson and Speaker Sprowls:

It is my privilege to provide the Auditor General's Annual Report for the period November 1, 2019, through October 31, 2020. In accordance with Section 11.45(7)(h), Florida Statutes, this Annual Report includes a list of statutory and fiscal changes recommended by the Auditor General for legislative consideration as well as our Projected 2-Year Work Plan identifying the audit and other accountability activities expected to be undertaken during the 2021-22 and 2022-23 fiscal years. Our Projected 2-Year Work Plan is a risk-based plan developed considering both the audit frequency requirements in State law and information obtained from the Legislature and other sources concerning areas of audit interest and operational risk.

This Annual Report also provides a brief description of our Office and highlights the audit and other accountability activities we performed during the 12-month period November 1, 2019, through October 31, 2020. These audits and activities include assignments made to our Office both in law and by legislative directive. During this period, our dedicated team of audit professionals and support staff issued over 200 reports, including reports related to operational, financial, and Federal awards audits, and attestation examination engagements of State and local governmental entities.

Since March of this year, much of our audit work has been conducted remotely due to the COVID-19 pandemic. Throughout these challenging months, our staff has demonstrated resilience and has been innovative in their approach to overcoming the obstacles encountered. I am proud of what we have been able to accomplish.

If you have any questions regarding this Annual Report, or if we can be of additional service to you in your service to the citizens of Florida, please let me know. We greatly appreciate the Legislature's continued interest in our audit work and reports.

Respectfully,

A handwritten signature in blue ink that reads "Sherrill F. Norman".

Sherrill F. Norman

c: Members of the Senate and House
Chiefs of Staff
Committee Staff Directors

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OUR OFFICE



The Auditor General is:

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

Our Vision

Excellence in auditing for the benefit of Floridians.

Our Core Values

- ◆ **Integrity** – Commitment to ethical conduct and truthfulness in all relationships.
- ◆ **Independence and Objectivity** – Being mindful of the reliance that is placed on our work and, therefore, taking a fact-based, nonpartisan, unbiased, fair, and balanced approach to all activities.
- ◆ **Accountability** – Holding ourselves accountable and being responsible for our actions, taking pride in our professionalism, striving for efficiency in our performance, and committing to the highest performance standards.

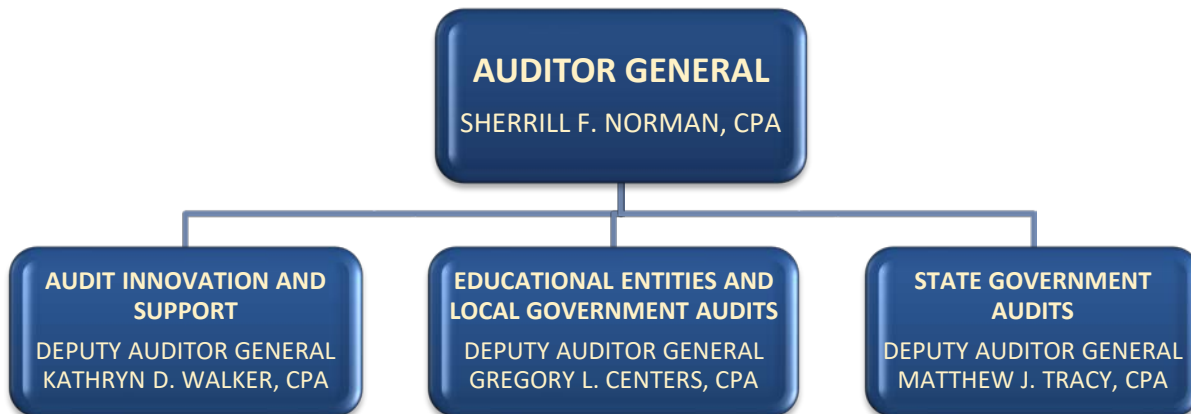
Our Mission

As the State's independent external auditor, the Auditor General provides unbiased, timely, and relevant information that the Legislature, Florida's citizens, public entity management, and other stakeholders can use to promote government accountability and stewardship and improve government operations. Specifically, the Auditor General:

- ◆ Audits financial statements to provide the Legislature and other users of financial statements independent assurance regarding the reliability of the financial statement information provided by government managers.
- ◆ Identifies and audits those operating units, programs, activities, functions, and transactions considered most vulnerable should a significant breakdown in internal control occur.
- ◆ Communicates, by an on-site presence and through examination, the Legislature's expectation that public entity management and employees are accountable for the proper administration of public funds and the achievement of entity objectives.
- ◆ Reports on whether expenditures of Federal, State, and local funds serve a public purpose and are made in compliance with applicable laws, rules, regulations, contracts, grant agreements, best practices, and other guidelines and whether government programs, activities, and functions are administered in an economic, efficient, and effective manner.
- ◆ Reports on whether governmental entities have established proper internal controls that reasonably ensure that financial reports and records are reliable; assets are safeguarded; and fraud, waste, abuse, and noncompliance are prevented or promptly detected and resolved.

Our Organization

The organizational structure of the Auditor General's Office consists of three divisions: the State Government Audits Division, the Educational Entities and Local Government Audits Division, and the Audit Innovation and Support Division. Each Division is led by a Deputy Auditor General.



Our management and staff work in coordination to meet the Auditor General's goals and objectives. Contact information for the Auditor General, each Deputy Auditor General, and other Auditor General management with reporting responsibilities is included in **EXHIBIT D** of this report.

While our Office headquarters is located in the Claude Denson Pepper Building in Tallahassee, approximately half our professional audit staff are assigned to various other locations throughout the State. These locations facilitate our audits of the school districts, State colleges, State universities, and State agencies headquartered outside Tallahassee, as well as our audits of local governmental entities.



Photo by Audit Supervisor Sabrina Ballew



Our People

Delivering high-quality audit work products efficiently and effectively requires a competent, dedicated, and enthusiastic workforce. Many of our 360 full-time equivalent positions are held by audit professionals with various professional accounting and audit-related certifications. For example, as of October 31, 2020, our audit professionals included:

- ◆ 160 Certified Public Accountants.
- ◆ 15 Certified Information Systems Auditors.
- ◆ 15 Certified Fraud Examiners.

What We Do

Sections 11.42 and 11.45, Florida Statutes, set forth the general authority and duties of the Auditor General. Independently, and in accordance with applicable professional standards, the Auditor General:

- ◆ Conducts financial audits of the accounts and records of State government, State universities, State colleges, and school districts.
- ◆ Conducts operational and performance audits of public programs, activities, functions, and information technology systems and performs related duties as prescribed by law, concurrent resolution of the Legislature, or as directed by the Legislative Auditing Committee.
- ◆ Adopts rules, in consultation with the Florida Board of Accountancy, for audits performed by independent certified public accountants of local governmental entities, charter schools, charter technical career centers, school districts, and certain nonprofit and for-profit organizations.
- ◆ Conducts reviews of audit reports of local governmental entities, charter schools, charter technical career centers, school districts, and certain nonprofit and for-profit organizations.
- ◆ Conducts examinations of school districts' and other entities' records, as appropriate, to evaluate compliance with State requirements governing the determination and reporting of full-time equivalent (FTE) student enrollment reported to the Department of Education and used to determine Florida Education Finance Program funding allocations.
- ◆ Conducts quality assessment reviews of the internal audits performed by State agency offices of inspectors general.

The Auditor General performs audits and other engagements in accordance with generally accepted government auditing standards as set forth by the Comptroller General of the United States in *Government Auditing Standards*. *Government Auditing Standards* are applicable to financial and performance audits and attestation engagements and incorporate applicable auditing standards promulgated by the American Institute of Certified Public Accountants (AICPA). *Government Auditing Standards* require that, in all matters relating to audit work, the Auditor General and each individual auditor must maintain independence and avoid situations that could lead reasonable and informed persons to conclude that the auditors and Auditor General are not independent and thus are not capable of exercising objectivity and impartial judgment on all issues associated with conducting the engagement and reporting on the work. Our independence and other core values, along with the collective knowledge and skills of our audit professionals, provide the basis for our credibility.

Our Quality Control

Government Auditing Standards require us to undergo an independent review of our system of quality control at least once every 3 years. In October 2019, a team from the National State Auditors Association (NSAA) conducted such a review that covered engagements with reports issued during the period September 1, 2018, through August 31, 2019. Our Office received a rating of “pass,” which is the highest rating an audit organization can receive from an NSAA peer review team. This rating means that the Auditor General’s system of quality control provided reasonable assurance that our Office’s work conformed to *Government Auditing Standards* and is evidence of the quality and professionalism of our staff. The peer review team’s report is available on our Web site. Our next external peer review will be conducted in the fall of 2022.

Our Strategic Goals and Objectives

In recognition of our statutory duties and mission, within the framework of our core values, our work is planned and managed to address strategic objectives established to assist us in accomplishing our two primary strategic goals:

- ◆ Our **Professional Services Goal** is to provide timely, quality information to the Legislature and Florida’s citizens relative to the financial accountability and stewardship of public officials. This goal encompasses multiple services directed toward financial reporting, legal compliance, and government operations.
- ◆ Our **Professional Development Goal** is to maximize the value of the Auditor General’s work by continuing to promote quality, professionalism, and productivity. The Auditor General encourages all staff to pursue professional certifications and requires all management staff with responsibilities for audit or attestation engagements to hold applicable certifications, such as certified public accountant (CPA) or, when appropriate, certified information systems auditor (CISA). To enhance their technical proficiency, our professional audit staff receive a minimum of 80 hours of continuing professional education (CPE) in every 2-year period. Some of the CPE sessions are led by specialist guest speakers or external subject-matter experts, but we also recognize the importance of fostering the speaking and presentation skills of our own staff. Accordingly, we give our staff the opportunity to present on topics within their areas of expertise.

Our strategic objectives are:

Objective 1	Improve the operations and accountability of public entities.
Objective 2	Identify and audit essential government topics of specific interest to the Legislature.
Objective 3	Conduct audits and other engagements in accordance with applicable professional auditing standards.
Objective 4	Timely conduct all engagements in a cost-efficient manner.
Objective 5	Recruit and retain highly qualified, highly skilled staff.
Objective 6	Provide staff with an organizational environment and professional opportunities that promote job satisfaction.
Objective 7	Provide staff with the training, opportunities, technology, and encouragement needed to enhance professional competencies and effectively and efficiently complete audits and other assignments.
Objective 8	Continue to build on the Auditor General’s reputation as a leader in the auditing and government financial reporting communities.

Our Reports

Our audits and other accountability activities focus on executive branch (State) agencies, judicial branch entities, educational entities, local governmental entities, and certain other entities. A listing of all reports issued during the period November 1, 2019, through October 31, 2020, is included in this report as ***EXHIBIT B***. An overview of our audits and other accountability activities completed during that period begins on page 13 of this Annual Report. Copies of audit and other reports are available on our Web site, www.FLAuditor.gov, and are distributed as appropriate and upon request to:

- ◆ Legislative members and staff.
- ◆ Governing boards, officials, and management of governmental entities.
- ◆ Federal Government officials.
- ◆ Bond rating agencies.
- ◆ Florida's citizens.
- ◆ The media.
- ◆ Other interested parties.

RECOMMENDED STATUTORY AND FISCAL CHANGES

Various provisions of State law require the Auditor General to conduct audits, examinations, or reviews of government programs, activities, and functions and report the results thereof to the President of the Senate, the Speaker of the House of Representatives, the Legislative Auditing Committee, senior management of the audited entity, and, as applicable, Federal grantor agencies. These reports are provided as required by law, and many include findings and recommendations focusing on the need for management actions to improve the audited entities' level of legal compliance and internal controls relevant to legal compliance, economy and efficiency, financial reporting and records, and the safeguarding of assets. In addition, Section 11.45(7)(h), Florida Statutes, provides in part that the Auditor General shall annually compile and transmit to the President of the Senate, the Speaker of the House of Representatives, and the Legislative Auditing Committee by December 1 of each year a list of statutory and fiscal changes recommended by the Auditor General.

The following recommended statutory and fiscal changes are provided to the President of the Senate, the Speaker of the House of Representatives, and the Legislative Auditing Committee for consideration. These recommendations were either included in our audit reports during the past few audit cycles or arose during the course of performing the duties assigned to the Auditor General. The recommendations are presented by policy area to facilitate their use by the various legislative committees. Auditor General staff are available to discuss these recommendations with legislative members and staff. Contact information for the management staff referenced below is provided in **EXHIBIT D** of this report.

Policy Areas: Senate Education House Education and Employment

- ◆ **Educational Entity Transparency Requirements** – The Legislature should consider amending applicable statutory requirements to define the “transparency requirements” for charter schools, charter technical career centers, Florida College System institutions, and State universities. Alternatively, the Legislature could delete from Section 11.45(7)(i), Florida Statutes, the requirement for the Auditor General to list the charter schools, charter technical career centers, Florida College System institutions, and State universities that failed to comply with transparency requirements.

**Audit Managers: Jaime N. Hoelscher, CPA
Michael J. Gomez, CPA**

- ◆ **Charter Schools** – Section 1002.33(9)(o)2., Florida Statutes, requires that an independent audit be completed for charter schools within 30 days after notice of nonrenewal, closure, or termination to account for all funds and assets. Because of the varying complexity of audits, that time frame may not be a reasonable period to complete such audits. Accordingly, the Legislature should consider revising Section 1002.33(9)(o)2., Florida Statutes, to provide that, within 30 days after notice of nonrenewal, closure, or termination, a certified public accountant be engaged to conduct an independent audit to account for all funds and assets.

Audit Manager: Edward A. Waller, CPA

- ◆ **School Districts and State Colleges** – Since the 2007-08 fiscal year, pursuant to Chapter 2007-72, Laws of Florida, Specific Appropriations 125 and 129 (General Appropriations Act), the Legislature has annually required school districts and community (State) colleges to report adult general education program enrollment identified in Section 1004.02, Florida Statutes, in accordance with the Department of Education instructional hours reporting procedures and the Auditor General to verify compliance with that requirement. However, over the past decade, school district and State college program noncompliance has not been significant. Accordingly, the Legislature should consider removing from the General Appropriations Act the requirement that the Auditor General verify program compliance and allowing the Auditor General discretion in determining when such compliance should be verified.

**Audit Managers: Jaime N. Hoelscher, CPA
Edward A. Waller, CPA**

- ◆ **School Districts** – Since the 2000-01 fiscal year, pursuant to Chapter 2000-166, Laws of Florida, Specific Appropriation 135 (General Appropriations Act), the Legislature has annually funded workforce education programs for school districts. In addition, the General Appropriations Act has provided that school districts may not use the funding to support K-12 programs or district K-12 administrative indirect costs and that the Auditor General shall verify compliance with that requirement. However, over the past decade or more, school district noncompliance has not been significant. Accordingly, the Legislature should consider removing from the General Appropriations Act the requirement for the Auditor General to verify program compliance and allowing the Auditor General discretion when such compliance should be verified.

Audit Manager: Edward A. Waller, CPA

- ◆ **Scholarship-Funding Organizations** – Since 2015, the Auditor General has conducted annual operational audits of the accounts and records of eligible nonprofit scholarship-funding organizations. As recent audits have not disclosed significant control deficiencies or noncompliance, the Legislature should consider amending Sections 11.45(2)(l), 1002.385(14)(a), and 1002.40(12)(a), Florida Statutes, to require the Auditor General to conduct operational audits at least once every 3 years of the accounts and records of eligible nonprofit scholarship-funding organizations.

Audit Manager: Michael J. Gomez, CPA

- ◆ **Scholarship-Funding Organizations** – The Legislature should consider assigning the Department of Education responsibility for providing to the eligible nonprofit scholarship-funding organizations technical guidance on scholarship program issues. Doing so would establish the Department of Education as the entity responsible for providing guidance sufficient to enable eligible nonprofit scholarship-funding organizations to consistently apply the requirements in Sections 1002.385, 1002.394, 1002.395, 1002.40, and 1002.411, Florida Statutes.

Audit Manager: Michael J. Gomez, CPA

Policy Areas: **Senate Community Affairs** **House State Affairs**

- ◆ **Special Districts** – Notwithstanding that community redevelopment agencies (CRAs) are special districts included in Section 218.39, Florida Statutes, because of their unique nature and specific audit requirements of Section 163.387(8)(a), Florida Statutes, the Legislature should consider amending:
 - Section 218.39(1), Florida Statutes, to specifically include CRAs that meet the criteria in Section 163.387(8)(a), Florida Statutes, as an entity required to have an annual financial audit.
 - Section 218.39(1)(c), Florida Statutes, to include CRAs that meet the criteria in Section 163.387(8)(a), Florida Statutes.
 - Section 218.39(3)(a), Florida Statutes, to exclude CRAs that meet the criteria in Section 163.387(8)(a), Florida Statutes.

Audit Manager: Michael J. Gomez, CPA

- ◆ **Transparency Requirements** – The Legislature should consider amending Section 218.31, Florida Statutes, to define “transparency requirements” for local governmental entities, and consider amending Section 218.39, Florida Statutes, to provide for a determination of compliance with such transparency requirements in the annual financial audit. Alternatively, the Legislature could delete from Section 11.45(7)(i), Florida Statutes, the requirement for the Auditor General to list the local governmental entities that failed to comply with transparency requirements.

Audit Manager: Michael J. Gomez, CPA

- ◆ **Large-Hub Commercial Service Airports** – Section 11.45(2)(m), Florida Statutes, requires the Auditor General to conduct a financial audit of large-hub commercial service airports. Since financial audits of the local governments operating those airports are already required pursuant to Section 218.39, Florida Statutes, the Legislature should consider revising Section 11.45(2)(m), Florida Statutes, to require the Auditor General to conduct an operational audit, instead of a financial audit, of those airports.

Audit Manager: Michael J. Gomez, CPA

- ◆ **Local Governments** – The Legislature should consider:
 - Enacting a law that requires local governments to adopt a minimum general fund unrestricted fund balance policy or to maintain a certain level of general fund unrestricted fund balance.
 - Amending Section 218.391, Florida Statutes, to require that auditor selection procedures be performed at specified intervals. Also, amend Section 218.391, Florida Statutes, to require the auditor selection committee to be advised by at least one person who has an understanding of generally accepted accounting principles and government auditing. Amendments to Section 218.391 should also be considered to require entities to establish ordinances, resolutions, or policies and procedures to define auditor selection committee responsibilities.
 - Revising the definition of “governmental unit” in Chapter 274, Florida Statutes, regarding tangible personal property owned by local governments, to include all “local governmental entities” as that term is defined in Section 218.31, Florida Statutes.

- Amending Section 403.7125, Florida Statutes, to require that audits of local government escrow accounts, maintained to accumulate financial resources for the proper closing and long-term care of landfills, are properly and consistently conducted in accordance with legislative intent.
- Amending Section 29.0085, Florida Statutes, to require that statutorily required annual statements of county compliance for court-related functions are properly and consistently prepared in accordance with legislative intent.
- Amending Section 218.31, Florida Statutes, to include a definition of the term “financial statements” as used in Section 218.32(1)(h)4., Florida Statutes.

Audit Report Numbers: 2015-037 and 2019-028

Audit Manager: Michael J. Gomez, CPA

Policy Areas: Senate Governmental Oversight and Accountability House State Affairs

- ◆ **Audit Efficiency and Effectiveness** – Sections 11.47(3) and (4), Florida Statutes, are critical to ensuring the capability of the Auditor General to successfully complete audits. Section 11.47(3), Florida Statutes, was recently revised to provide that any person that willfully fails or refuses to provide the Auditor General access to an employee, officer, or agent of an entity subject to an audit commits a misdemeanor. Section 11.47(4), Florida Statutes, provides that any officer who willfully fails or refuses to furnish or produce any book, record, paper, document, data, or sufficient information necessary to a proper audit or examination which the Auditor General or the Office of Program Policy Analysis and Government Accountability is by law authorized to perform, shall be subject to removal from office. The Legislature should consider amending Section 11.47(4), Florida Statutes, to:
 - Provide that any person who willfully fails or refuses to provide the Auditor General access to an employee, officer, or agent of an entity subject to an audit shall be subject to removal from office.
 - Designate the specific party, or parties, responsible for removing an officer or person from office for the reasons stated therein.

**Deputy Auditor Generals: Gregory L. Centers, CPA
Matthew J. Tracy, CPA
Kathryn D. Walker, CPA**

WORK PLAN

Types of Engagements

Various statutory provisions provide the framework for the development of our work plan. Pursuant to law, we perform four major types of engagements – financial audits, operational audits, performance audits, and attestation examinations. Descriptions of these major types of engagements are presented below.

Financial Audits Government managers are responsible for the stewardship of financial resources and for preparing financial statements that conform to accounting principles promulgated by the Governmental Accounting Standards Board (GASB). Our audits of various entities' financial statements provide the Legislature, Florida's citizens, investors, bond rating agencies, and other users of the financial statements, independent assurance of the reliability of the financial information provided by government managers. Such independent assurance is given in the form of an opinion on the financial statements and is preceded by the performance of a rigorous examination of the entity's financial records and related representations made by government officials. Professional standards issued by the AICPA and the Comptroller General of the United States in *Government Auditing Standards* govern the nature, timing, and extent of the audit work performed. Under those standards, consideration of information technology internal controls is often an essential and significant part of the financial audit process because public entity operations and business processes are usually dependent on information technology.

Financial audits also may include audit procedures to evaluate an entity's compliance with requirements that could have a direct and material effect on each major Federal awards program administered by the entity and the effectiveness of internal controls established by management to consistently ensure compliance therewith. That is because, as a condition of receiving Federal funds, the United States Office of Management and Budget (OMB) requires a Single Audit of the recipient's financial statements and major Federal awards programs. The audit is referred to as a Single Audit because it is an organizationwide audit that includes, within its scope, work designed to meet the oversight needs of many Federal and pass-through grantors and State accountability officials. A Single Audit is performed in accordance with audit requirements located in Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), as well as audit requirements prescribed by applicable professional standards issued by the AICPA and the Comptroller General of the United States in *Government Auditing Standards*.

Operational Audits Operational audits evaluate management's performance in establishing and maintaining internal controls, including internal controls designed to prevent and detect fraud, waste, abuse, and noncompliance, and in administering assigned responsibilities in accordance with applicable laws, rules, contracts, grant agreements, and other guidelines. Operational audits examine internal controls, including information technology internal controls, that are designed and placed in operation to promote and encourage the achievement of management's control objectives in the categories of compliance, economic and efficient operations, reliability of financial records and reports, and safeguarding of assets, and identify weaknesses in those internal controls. Operational audits may also

include comparisons of the performance of a program, activity, or function of a governmental entity to specific criteria. Our operational audits include a broad array of areas and are conducted in accordance with applicable *Government Auditing Standards*. The areas included within the scope of operational audits are determined through risk assessment processes that include, among other procedures, inquiries of legislative staff concerning items of concern and interest to the Legislature.

Performance Audits Performance audits examine a program, activity, or function of a governmental entity with respect to issues such as economy, efficiency, and effectiveness of a program; the adequacy of a program to meet the needs identified by the Legislature or governing body; alternative methods of providing program services or products; the accuracy or adequacy of public documents, reports, or requests prepared under a program by the public entity; and compliance of a program with appropriate policies, rules, or laws. Performance audits are conducted in accordance with applicable *Government Auditing Standards*.

Attestation Examinations Attestation examinations consist of obtaining sufficient, appropriate evidence to express an opinion on whether the subject matter of the examination is based on (or in conformity with) specified criteria in all material respects or an assertion is presented (or fairly stated), in all material respects, based on the specified criteria. Examination engagements are conducted in accordance with the *Statements on Standards for Attestation Engagements* issued by the AICPA and applicable *Government Auditing Standards*. For example, our examinations of school district and other entity compliance with State requirements relating to the classification, assignment, and verification of the full-time equivalent student enrollment and student transportation reported under the Florida Education Finance Program are attestation examination engagements.

Work Plan Development Process

In the development of our work plan, we first consider legal requirements establishing the frequency of the audits and other accountability activities we perform. Pursuant to law, we are to conduct annual financial audits of the State of Florida, the State Board of Administration Local Government Surplus Funds Trust Fund (Florida PRIME), the Florida School for the Deaf and the Blind, State universities, State colleges, and school districts in counties with populations of less than 150,000. We are to conduct financial audits of school districts in counties with populations of 150,000 or more every 3 years. In addition, at the direction of the Legislative Auditing Committee, we conduct a financial audit of the Department of the Lottery. We also conduct the annual financial audit of the Florida Retirement System.

For various other audits and accountability activities, a minimum frequency is also established in law. For example, operational audits of each State agency, State university, State college, school district, water management district, the Florida Clerks of Court Operations Corporation, and the Florida School for the Deaf and the Blind are required to be conducted at least every 3 years. In planning for these audits, we obtain information from legislative staff and other sources concerning areas of interest and operational risks. Operational risks are characteristics of government operations that may make a government program more susceptible to instances of fraud, waste, abuse, material reporting errors, or noncompliance with governing requirements. This information is used to develop a risk-based work plan that provides audit coverage of each entity during a 3-year cycle.

2020-21 Work Plan

Our 2020-21 Work Plan encompassed a wide variety of programs, activities, and functions administered by many entities. Some of the unique projects on our 2020-21 Work Plan include operational audits of selected operations of the Department of Health, Office of Medical Marijuana Use, and COVID-19 data reporting by selected State agencies, as well as selected municipalities, such as the cities of Deerfield Beach, Gainesville, and Melbourne.

An overview of our audits and other accountability activities completed during the period November 1, 2019, through October 31, 2020, begins on page 13 of this Annual Report. A listing of all reports issued during the period November 1, 2019, through October 31, 2020, is included in this report as ***EXHIBIT B***. Additionally, a listing of reports issued or scheduled to be issued subsequent to October 31, 2020, and by March 31, 2021, is included in this report as ***EXHIBIT C***.

Projected 2-Year Work Plan

Section 11.45(7)(h), Florida Statutes, provides, in part, that the Auditor General shall transmit to the President of the Senate, the Speaker of the House of Representatives, and the Legislative Auditing Committee by December 1 of each year a projected 2-year work plan identifying the audits and other accountability activities to be undertaken by the Auditor General. Our ***PROJECTED WORK PLAN*** encompassing the work planned for the 2021-22 and 2022-23 fiscal years is included in this report as ***EXHIBIT A***. As appropriate, modifications to the work plan may be made in response to law changes, legislative requests, and other considerations.

OVERVIEW OF AUDIT AND ACCOUNTABILITY ACTIVITIES

STATE GOVERNMENT

State Government Audit Impact Measures

Total asset values upon which financial statement opinions were rendered	\$610.9 billion
Total revenues upon which financial statement opinions were rendered	\$204.9 billion
Total Federal awards expenditures for major programs audited	\$25.6 billion
Total number of major Federal programs audited	23
Number of audit reports issued	
Attestation	1
Financial	5
Financial and Federal Awards	1
Operational ^a	<u>15</u>
Total number of audit reports issued	<u>22</u>
Number of audit findings	140
Number of findings identifying potential opportunities for cost recovery, savings, or loss avoidance	
	19
Total amount identified for cost recovery, savings, or loss avoidance	\$30.9 million

^a Excludes Information Technology Operational Audits discussed later in this Annual Report under the subheading **INFORMATION TECHNOLOGY**.

Financial Statements Pursuant to Section 11.45(2)(b), Florida Statutes, the Auditor General is responsible for the audit of the State of Florida's financial statements, including consideration of compliance with laws of potential material impact on the financial statements. We found that the State of Florida's financial statements for the fiscal year ended June 30, 2019, were presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America. Our independent auditor's report on the financial statements is addressed to the President of the Senate, the Speaker of the House of Representatives, and the Legislative Auditing Committee and was published by the Chief Financial Officer in the State of Florida's *Comprehensive Annual Financial Report for the Fiscal Year Ended June 30, 2019*.

Our report on the audit of the State's financial statements included one finding involving internal control over financial reporting that constituted a significant deficiency¹ at one State agency. The significant deficiency related to recording incorrect amounts for debt related to capital assets to Net Position – Net investments in capital assets. We also noted three additional matters that we reported to management at three State agencies. One additional matter related to incorrectly recognizing tobacco settlement amounts owed to the State as revenues prior to the amounts becoming available. Additionally, we noted that the State agency did not record net receivables and unavailable revenue for all tobacco settlement amounts. Another additional matter related to the overstatement of Property disposition gain (loss) and Capital contributions amounts at a second State agency. The final additional matter at a third State agency related to improper accounting for all construction work in progress and incorrectly recording amounts for construction work in progress to Capital assets, net and Human services, expenses for the 2017-18 and 2018-19 fiscal years. Our report on internal controls over financial reporting is included in our report, *State of Florida – Compliance and Internal Controls Over Financial Reporting and Federal Awards* (report No. 2020-170).

Separate from our audit of the State of Florida's financial statements, we conducted audits of the financial statements of the Department of the Lottery (Lottery), the Florida Retirement System Pension Plan and Other State-Administered Systems, the State Board of Administration Local Government Surplus Funds Trust Fund (Florida PRIME), and the Florida School for the Deaf and the Blind. In all four audits, we found that the respective financial statements were presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America.

For the Lottery, as required by Section 24.123, Florida Statutes, we also examined internal control over financial reporting as of June 30, 2019, based on criteria established in *Internal Control – Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). We found that the Lottery maintained, in all material respects, effective internal control over financial reporting as of June 30, 2019, based on the established criteria. However, we also noted in our report (report No. 2020-086) two findings involving the need for enhancements to certain Lottery information technology (IT) internal control practices and the need for the Lottery to continue efforts to comply with statutory requirements governing minority retailer participation.

In addition to the audit of the Florida Retirement System Pension Plan and Other State-Administered Systems financial statements, we conducted an audit of the schedules of employer allocations of the Florida Retirement System Pension Plan defined benefit plan and the Retiree Health Insurance Subsidy Program defined benefit plan (System Pension Plans) as of and for the fiscal year ended June 30, 2019, and the related notes. Our audit found that the schedules presented fairly, in all material respects, the employer allocations and the net pension liability, total deferred outflows of resources, total deferred inflows of resources, and total pension expense/(income) for the total of all participating entities for the System Pension Plans as of and for the fiscal year ended June 30, 2019, in accordance with accounting principles generally accepted in the United States of America (report No. 2020-099).

We also conducted an attestation examination of the System Pension Plans schedules of deferred outflows for contributions subsequent to the June 30, 2019, measurement date by employer, as of and

¹ A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

for the fiscal year ended June 30, 2020. This examination found that the schedules presented, in all material respects, the deferred outflows for contributions subsequent to the June 30, 2019, measurement date by employer in accordance with applicable GASB statements and applicable provisions of State law (report No. 2021-014).

Federal Awards The Single Audit of the State of Florida includes State agencies, State universities, State colleges, judicial branch entities, and various other government entities for which the State is financially accountable. State agencies, State universities, and State colleges administered approximately 565 Federal awards programs or program clusters during the 2018-19 fiscal year. The Federal Single Audit Act directs the auditor to evaluate compliance with requirements applicable to each major program as well as the effectiveness of internal controls established by management to consistently ensure compliance. The results of our Single Audit of the State of Florida for the fiscal year ended June 30, 2019, are described in our report No. 2020-170.

We audited the State’s compliance with requirements governing the 23 Federal awards programs or program clusters that we identified as major Federal awards programs for the fiscal year ended June 30, 2019. Expenditures for these major programs comprised approximately 69 percent of the \$36.9 billion in total Federal awards expenditures reported by the State for the fiscal year ended June 30, 2019. Our Federal awards audit findings are tabulated by audit area in Table 1 and briefly summarized in the following paragraphs.

Table 1
Tabulation of State of Florida
Federal Awards Audit Findings by Audit Area

Audit Area	Number of	
	Findings	State Entities
Contract Documentation	2	2
Eligibility and Claims Payments	4	3
Expenditures and Supporting Documentation	4	3
Information Technology Internal Controls	5	3
Noncompliance with Statutory Requirements	4	3
Record Systems and Reporting	1	1
Service Organization Report	4	4
Subawards and Monitoring	4	2
Unemployment Benefits and Tax Administration	11	2

We found that the State agencies materially complied with requirements governing major Federal awards programs, except with respect to compliance with certain requirements for six programs administered by six State agencies, as subsequently described:

- ◆ For the 2017 Wildfires and Hurricanes Indemnity Program (WHIP), the Division of Emergency Management did not always obtain and maintain documentation to support costs charged to WHIP, resulting in an opinion qualification.
- ◆ For Disaster Grants – Public Assistance (Presidentially Declared Disasters), the Division of Emergency Management did not evaluate subrecipient risk of noncompliance with Federal statutes,

regulations, and the terms and conditions of the subaward or develop appropriate subrecipient monitoring plans based on an assessed risk of noncompliance and did not verify that all applicable subrecipients of the Disaster Grants program were audited. These instances of noncompliance resulted in an opinion qualification.

- ◆ For National Guard Military Operations and Maintenance Projects, the Department of Military Affairs could not demonstrate compliance with certain Federal procurement and suspension and debarment requirements, resulting in an opinion qualification.
- ◆ For the Unemployment Insurance program, we were unable to express, and did not express, an opinion on the Department of Economic Opportunity's compliance with reporting requirements because the Department of Economic Opportunity did not submit the required Federal Financial Reports to the Employment and Training Administration. Additionally, for the Unemployment Insurance program, we were unable to express, and did not express, an opinion on the Department of Revenue's compliance with the Special Tests and Provisions – Match with Internal Revenue Service (IRS) 940 Federal Unemployment Tax Act Tax Form compliance requirement because the Department of Revenue could not provide a copy of the certification files provided to the IRS evidencing the match of employer tax payments with credits claimed.
- ◆ For the Temporary Assistance for Needy Families program, the Department of Children and Families did not always timely review and process Income Eligibility and Verification System data exchange responses, which resulted in an opinion qualification.
- ◆ For the Medicaid Cluster, records of the Agency for Persons with Disabilities did not always evidence that continued stay reviews were completed for beneficiaries of Intermediate Care Facility Services for Individuals with Intellectual Disabilities in accordance with the time frame specified by Federal regulations, resulting in an opinion qualification.

We also reported material weaknesses in internal control over compliance² for each of these six programs.

Other instances of noncompliance, significant deficiencies in internal control over compliance,³ or questioned costs were found at nine State agencies, one State university, and one State college. Questioned costs include costs of goods or services charged to one or more Federal awards programs that are not allowed under the applicable grant terms, not clearly supportive of the program's purposes, not documented in the manner prescribed by applicable Federal cost principles or State policies, or not incurred during the grant period. Such costs are subject to adjustment or disallowance by Federal grantor officials.

Operational Audits During the period November 1, 2019, through October 31, 2020, we issued 15 operational audit reports on State governmental entities. Our reports addressed a broad array of programs, activities, and functions including:

- ◆ Internal management, financial, and operational controls and processes.
- ◆ Administration of aircraft by the Department of Law Enforcement and selected information technology controls.

² 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 will not be prevented, or detected and corrected, on a timely basis.

³ 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 that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

- ◆ The Department of Children and Families, Office of Public Benefits Integrity, and selected administrative activities.
- ◆ Food service establishment licensing and inspections by the Department of Health.
- ◆ Correctional officer recruitment, certification, and training by the Department of Corrections.
- ◆ Procurement and administration of nonresidential services contracts by the Department of Juvenile Justice and selected administrative activities.
- ◆ The Department of Elder Affairs, Office of Public and Professional Guardians.
- ◆ Medicaid claims data maintained by the Agency for Health Care Administration.
- ◆ The Department of Education, Office of Safe Schools.
- ◆ Oversight and administration of State Mental Health Treatment Facilities by the Department of Children and Families.
- ◆ The Department of Financial Services, Division of Funeral, Cemetery, and Consumer Services.

Many of our operational audit findings pertained to weaknesses in internal controls. Internal controls are those processes put in place by entity management to prevent and detect fraud, waste, abuse, and noncompliance and to provide reasonable assurance that financial reports are reliable, operations are economical and efficient, applicable laws are followed, and assets are safeguarded against loss. In short, effective internal controls prevent adverse events from happening and detect them when they do. Our operational audit findings are tabulated by audit area in Table 2.

Table 2
Tabulation of State Government
Operational Audit Findings by Audit Area

Audit Area	Number of	
	Findings	Entities
Administration of Aircraft	2	1
Capital Assets, Equipment, and Inventory	18	9
Central Pharmacy Administration	3	2
Construction and Related Activities	1	1
Contraband Procedures and Records	1	2
Contractual Services	2	2
Facility Staffing, Licenses, and Critical Event Reporting	3	3
Financial Management and Record Keeping	5	6
General Oversight or Governance	4	2
Information Technology Resources	20	10
Medicaid Program Administration and Claims Payments	1	1
Performance Measures and Monitoring	2	1
Program Administration, Oversight, and Monitoring	17	6
Purchasing Practices	3	2
Regulatory Oversight and Monitoring	11	3
Safeguarding of Social Security Numbers	1	1
Service Organization Report	1	1

The results of several of our operational audits issued during the period November 1, 2019, through October 31, 2020, are summarized below.

- ◆ **Department of Law Enforcement – Administration of Aircraft, Selected Information Technology Controls, and Prior Audit Follow-Up (Report No. 2020-062).** Our audit of the Department of Law Enforcement (DLE) focused on the administration of aircraft and selected information technology (IT) controls. Our audit disclosed that DLE records were not sufficient to determine whether passengers were traveling on official State business and not otherwise subject to transportation charges. In addition, we noted that the DLE had not established transportation charges for flight hours based on the fixed and variable costs associated with DLE aircraft, contrary to State law, and that certain DLE controls related to aircraft needed improvement. Also, the DLE did not conduct periodic reviews of Automated Investigative Management System (AIMS) user access privileges or always timely remove AIMS user access privileges upon an employee's separation from DLE employment or when the access privileges were no longer necessary. Our audit also found that the DLE did not take reasonable steps to ensure that the service organization responsible for retaining DLE text messages had suitably designed and effective controls and DLE policies and procedures did not prohibit employees from using their personal devices to send or receive text messages pertaining to official State business or, alternatively, provide for the retention of such messages. Further, similar to prior audit reports, we found that State Clerks of Court records related to adjudications of mental defectiveness and court-ordered mental institution commitments were not always timely entered into the Florida Mental Competency application.
- ◆ **Department of Health – Food Service Establishment Licensing and Inspections and Prior Audit Follow-Up (Report No. 2020-154).** Our audit of the Department of Health (DOH) focused on food service establishment licensing and inspections and included a follow-up on selected prior audit findings. Our audit found that DOH records did not evidence that food service establishment licenses were issued prior to the commencement of operations and some county health departments utilized license application forms that did not require all the information specified by the DOH's application. In addition, we noted that the DOH did not always inspect food service establishments in accordance with the established frequency, sometimes did not timely conduct reinspections of establishments, and that controls for establishment complaint investigations needed enhancement to ensure that all complaints were recorded in DOH records, complaint investigation activities were documented in accordance with DOH policies and procedures, and investigations were timely conducted. Further, our audit found that DOH pharmaceutical inventory management controls continue to need improvement, the DOH did not maintain complete and accurate records of drugs returned from the county health departments, and that DOH controls for timely removing user access privileges to DOH IT applications continue to need improvement.
- ◆ **Department of Corrections – Correctional Officer Recruitment, Certification, and Training and Selected Administrative Activities (Report No. 2020-192).** Our audit focused on correctional officer recruitment, certification, and training and selected administrative activities. Our audit disclosed that Department of Corrections (DOC) records did not evidence that: all staff who served on a special operations team completed required training, all first aid instructors possessed an active CPR certification during times certain CPR classes were taught, and all correctional officers completed required training prior to administering drug and alcohol tests at DOC institutions. Additionally, DOC controls related to the supervision of correctional officer trainees, DOC processes for recovering hiring bonuses, and DOC controls for timely disabling access privileges to certain IT systems need improvement. We also noted that DOC controls over employee access to the Florida Accounting Information Resource Subsystem need improvement and that the DOC had not established policies and procedures for reviewing the collection and use of social security numbers or complied with applicable statutory requirements. Further we noted that, the DOC had not established procedures to ensure that text messages are retained in accordance with State law and DOC records did not evidence that employees assigned mobile devices had read and understood guidance related to applicable use and data protection requirements.

- ◆ **Department of Elder Affairs – Office of Public and Professional Guardians and Selected Administrative Activities (Report No. 2021-010).** The Department of Elder Affairs (DEA) is responsible for administering the Office of Public and Professional Guardians (OPPG) and our audit of the OPPG found that, contrary to State law, the OPPG did not establish policies and procedures for monitoring private professional guardians, develop or implement a monitoring tool, or monitor private professional guardians for compliance with OPPG standards of practice governing the conduct of professional guardians. In addition, we found that OPPG efforts to monitor Public Guardian Offices (PGOs) were not always adequate to ensure that: OPPG records evidenced that program monitors were free from conflicts of interest, all State guardianship rules were subject to adequate monitoring, Monitoring Tool responses were supported by and consistent with source documentation, and monitoring reports were appropriately reviewed and timely provided to PGOs.

Further, our audit found that OPPG complaint processing controls need improvement to ensure that: complaints are referred and related investigation activities are conducted in accordance with State law, OPPG policies and procedures, other guidelines, and management expectations; investigations include all applicable complaint allegations; and guardians and complainants are timely notified of whether disciplinary actions are taken. Additionally, contrary to State law, the DEA had not adopted rules for certain OPPG processes, including for investigating complaints; OPPG controls for reimbursing Clerks of the Court need enhancement; and OPPG controls did not adequately promote the timely submittal of annual professional guardian renewal registrations or ensure that the courts responsible for appointing guardians were timely notified of lapses in guardian registration.

- ◆ **Department of Education – Office of Safe Schools and Prior Audit Follow-Up (Report No. 2021-029).** Our audit of the Department of Education (DOE) focused on the Office of Safe Schools (Office) and included a follow-up on selected prior audit findings. Our audit disclosed that the DOE's implementation of the school safety and security requirements of the Marjory Stoneman Douglas High School Public Safety Act did not promote the Office as the central repository for compliance oversight in all matters regarding school safety and security as provided in State law. In addition, our audit disclosed that certain DOE IT controls related to the Florida Safe Schools Assessment Tool need improvement and that Office processes for confirming security risk assessments were completed by all schools, for reviewing risk assessments and providing recommendations to school districts to address noted findings, and for ensuring consistent accomplishment of Office compliance oversight responsibilities need enhancement. Also, the basis for DOE school safety and security grant awards to State university development research laboratory schools was not clear of record; the Office did not participate in the review or approval of applications for school safety and security grant funds, although required by State law; and, in some instances, DOE records did not adequately evidence that security enhancements requested in grant applications related to items identified in the school security risk assessments.

We also noted that the Office had not established a methodology to allocate funds to Coach Aaron Feis Guardian Program participants; the Florida Schools Safety Portal (FSSP) was launched 243 days after the December 1, 2018, statutory deadline; and, contrary to State law, the Office did not participate in the development of the FSSP. Additionally, the FSSP did not significantly improve threat assessment team member access to timely, complete, and accurate information from the statutorily specified data sources or include a data analytic component that integrated the various data sources or enabled threat assessment teams to identify, evaluate, and address threats or potential threats to school security based on integrated data. Further, our audit found that DOE records did not evidence DOE monitoring activities to determine whether youth mental health awareness and assistance training program deliverables were provided in accordance with grant agreement terms and conditions or whether all school district personnel were appropriately and timely trained. Lastly, we noted that certain DOE IT controls needed enhancement and DOE controls for administering and timely reviewing educational institutions' Florida Equity Act annual equity plan updates continue to need improvement.

A listing of all State Government audit and attestation reports issued during the period November 1, 2019, through October 31, 2020, is included in EXHIBIT B of this Annual Report.

EDUCATIONAL ENTITIES

Pursuant to law, the Auditor General has extensive audit responsibilities involving educational entities, including the State's 67 school districts, 12 State universities, and 28 State colleges. These responsibilities include audits of:

- Financial statements.
- Compliance with requirements of Federal awards.
- Selected operations.

We also perform examinations of school district and other entity compliance with State requirements relating to the classification, assignment, and verification of the full-time equivalent (FTE) student enrollment and student transportation reported under the Florida Education Finance Program. An overview of our audit activities is included on the following pages.

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STATE UNIVERSITIES AND STATE COLLEGES	27
OTHER EDUCATIONAL ENTITIES AND PROGRAMS	30

SCHOOL DISTRICTS

School Districts Audit Impact Measures	
Total asset values upon which financial statement opinions were rendered	\$29.9 billion
Total revenues upon which financial statement opinions were rendered	\$17.9 billion
Total Federal awards expenditures for major programs audited	\$627.8 million
<hr/>	
Number of audit reports issued	
Financial and Federal Awards	46
Financial	1
Operational ^a	<u>26</u>
Total number of audit reports issued	<u>73</u>
Number of audit findings	155
<hr/>	
Number of findings identifying potential opportunities for cost recovery, savings, or loss avoidance	54
Total amount identified for cost recovery, savings, or loss avoidance	\$14.7 million
<hr/>	
^a Excludes Information Technology Operational Audits discussed later in this Annual Report under the subheading INFORMATION TECHNOLOGY .	

Financial Statements We audited the financial statements of 47 school districts for the fiscal year ended June 30, 2019, and found that the school districts' financial statements were presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America. We reported conditions involving internal control, including a material weakness⁴ at 1 school district and significant deficiencies⁵ at 15 school districts. The material weakness concerned the need for enhancement of school district accountability over school internal funds as the audit report for the school internal funds had not been issued as of March 4, 2020. As a result, the amounts recorded in those funds were of limited use in the preparation of the school district financial statements and financial statement users have limited assurance regarding the accuracy of amounts reported for those funds. The significant deficiencies at the 15 school districts related to inadequate financial reporting

⁴ A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the financial statements will not be prevented, or detected and corrected, on a timely basis.

⁵ A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

procedures, inappropriate or unnecessary information technology access privileges, deficient internal controls over cash, and inadequate separation of duties.

Federal Awards In conjunction with our financial audits of the school districts, for 46 of the school districts,⁶ we examined compliance with Federal laws, regulations, and the terms and conditions for school district major Federal awards programs. The number of major Federal awards programs ranged from one to five at the 46 school districts we audited. Pursuant to the Federal Single Audit Act, the auditor is to express an opinion on compliance for each school district major Federal awards program and test and report on internal controls over compliance in accordance with Uniform Guidance. Uniform Guidance also requires auditors to report known questioned costs⁷ greater than \$25,000 for both major Federal awards programs and programs not audited as a major program, as well as likely questioned costs greater than \$25,000 for major Federal awards programs. In summary, our Federal awards audits at the school districts disclosed that:

- ◆ 1 school district misreported to the Department of Education (DOE) the count of displaced students for the Hurricane Education Recovery – Temporary Emergency Impact Aid for Displaced Students (Emergency Impact Aid) program, resulting in a finding of noncompliance and material weakness⁸ in internal control over the program, a qualified opinion on the program, and questioned costs totaling \$1,282,090.
- ◆ 2 school districts had deficiencies in internal controls over compliance with Federal awards requirements, which resulted in 2 significant deficiency⁹ findings. One school district did not properly allocate interest earnings for the 2018-19 fiscal year from the pooled cash and cash equivalent and investment accounts to the Child Nutrition Cluster (CNC) food service program, resulting in questioned costs totaling \$60,826. The other school district misreported data to the DOE for displaced students, resulting in questioned costs totaling \$10,977 for the Emergency Impact Aid program.
- ◆ 1 school district charged indirect costs for food expenditures to the CNC, although such expenditures are not an allowed cost objective for incurring indirect costs, resulting in questioned costs totaling \$35,472 for the CNC, a Federal awards program not audited as a major program at that school district.

⁶ The Jefferson County K-12, A Somerset School, is a combination of the three charter schools that operate all Jefferson County School District schools and administer the District Federal programs. Consequently, Jefferson County School District was not required to obtain, and did not obtain, a Federal awards audit.

⁷ Questioned costs include costs of goods or services charged to one or more Federal awards programs that are not allowed under the applicable grant terms, not clearly supportive of the program's purposes, not documented in the manner prescribed by applicable Federal cost principles or State or school district policies, or not incurred during the grant period. If the applicable grantor disallows questioned costs, a school district may have to repay the costs from non-Federal sources.

⁸ 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 will not be prevented, or detected and corrected, on a timely basis.

⁹ 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 awards program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Operational Audits During the period November 1, 2019, through October 31, 2020, we issued operational audit reports for 26 school districts and considered the school districts' performance with respect to a variety of areas including internal control systems and compliance with specific laws and General Appropriations Act provisos. For example, our operational audits evaluated processes relating to procurement and construction practices, monitoring charter schools, personnel compensation and payroll administration, information technology, adult general education enrollment reporting to the Department of Education, school safety, and the use of ad valorem tax levy proceeds and other capital outlay funds.

Our operational audit findings, along with the financial and Federal awards audit findings previously described, are tabulated in Table 3 by audit area. For several audit areas, similar findings were noted at multiple school districts.

Table 3
Tabulation of School District
Audit Findings by Audit Area

Audit Area	Number of	
	Findings	Districts
Ad Valorem Tax Program and Capital Outlay	7	6
Adult General Education Enrollment Reporting	4	4
Cash and Cash Collections	8	8
Charter Schools	1	1
Construction and Related Activities	3	3
Control Environment – Separation of Incompatible Duties	1	1
Facilities	2	2
Federal Awards	4	4
Financial Management and Budgetary Internal Controls	12	12
Financial Reporting	9	9
Information Technology Internal Controls	38	23
Insurance	8	8
Internal Audit Function	2	2
Personnel and Payroll	31	19
Public Meetings – Statutory Requirements	1	1
Purchasing Practices and Contractual Services	12	11
School Safety	11	11
Virtual Instruction Programs	1	1

The findings we noted for some of the audit areas are briefly described below.

- ◆ **Information Technology Internal Controls** – For 23 school districts, our audits found that information technology (IT) internal control enhancements were needed for financial and related systems. For example, enhancements were needed to appropriately restrict IT access privileges to only those needed by a user to perform his or her assigned job duties and to periodically review IT access privileges to promote the timely detection of inappropriate or unnecessary privileges. We noted that some inappropriate or unnecessary privileges increased the risk that unauthorized

disclosure of sensitive personal student information, including social security numbers, may occur. We also noted that school districts could enhance internal controls over IT by improving user authentication controls, as well as by logging and monitoring significant system and network activity. Other needed enhancements involved developing effective internal controls to address management's security-related responsibilities, including security incident response, risk assessment, data loss prevention, and disaster recovery.

- ◆ **Personnel and Payroll** – Our audits disclosed that 19 school districts needed to enhance internal controls over the administration of personnel and payroll. For example, we noted that salary schedules and employee, contractor worker, and volunteer background screenings did not always comply with State law; procedural enhancements were needed to prevent salary overpayments; and internal controls over salary supplement payments and review and approval of employee time worked needed improvement. We also noted that the Internal Revenue Service imposed penalties totaling \$143,511 upon 1 school district for employment tax underpayments and late payments. Another school district did not comply with Board policies by advertising the Director of Fleet and Safety position and documenting verification that the individual hired met the requirements for that position. Amounts identified for cost recovery, savings, or loss avoidance related to the personnel and payroll audit findings ranged from \$1,900 to \$1,235,000.
- ◆ **Financial Management and Budgetary Internal Controls** – In addition to the material weakness finding discussed in the **Financial Statements** section on page 21, 11 school districts needed to enhance internal controls over financial management and budgetary internal controls. Our audits disclosed financial management issues, including the lack of timely, monthly financial reports to the Board and a lack of school district accountability over school internal funds. We also noted budgetary and fiscal transparency issues, such as school districts not complying with State law by posting on their Web sites the official budget or all required graphical representations of summary financial efficiency data and fiscal trend information.
- ◆ **School Safety** – At 11 school districts, our audits found that internal controls over school safety procedures needed improvement. For example, deficiencies in internal controls over emergency drills and safe-school officers were noted. At 1 school district, school district mental health care plans and reports were not always timely reported to DOE as required by State law and State Board of Education (SBE) rules and the total required number of hours of mental health awareness and assistance instruction were not provided to students.
- ◆ **Purchasing Practices and Contractual Services** – Our audits disclosed that 11 school districts needed to enhance internal controls over purchasing practices and contractual services. For example, we noted enhancements were needed in internal controls over purchasing card programs and the procurement and administration of contractual service agreements and related payments and services. In 1 instance, we reported that necessary provisions relating to information technology internal controls were absent from a consultant's contract for consortium members' school system management software. We also noted that records at 1 school district did not always demonstrate compliance with SBE competitive solicitation and direct negotiation requirements.

A listing of all school district audit reports issued during the period November 1, 2019, through October 31, 2020, is included in [EXHIBIT B](#) of this Annual Report.

FLORIDA EDUCATION FINANCE PROGRAM

Florida Education Finance Program Full-Time Equivalent Student Enrollment and Student Transportation Examination Impact Measures	
Total FTE Student Enrollment reported upon which compliance opinions were rendered	1,339,960
Total FTE Student Enrollment funding for entities examined	\$4 billion
Total Student Transportation funding for entities examined	\$176 million
Number of compliance examination reports issued	
School Districts	25
Other Educational Entities	<u>4</u>
Total number of reports issued	<u>29</u>
Number of reports disclosing material noncompliance	27

Florida Education Finance Program (FEFP) funding, including Student Transportation funding (net of local school district funding) for the 2017-18 and 2018-19 fiscal years totaled approximately \$8.4 billion and \$8.6 billion, respectively. During the period November 1, 2019, through October 31, 2020, we completed examinations of the records of 10 school districts for the fiscal year ended June 30, 2018, and, for the fiscal year ended June 30, 2019, 15 school districts, the Florida Virtual School, and 3 university developmental research schools. These examinations were conducted to evaluate compliance with State requirements relating to the classification, assignment, and verification of the full-time equivalent (FTE) student enrollment, including teacher certification, and student transportation as reported under the FEFP.

For 1 school district, we were unable to express, and did not express, an opinion on the school district's compliance with State requirements relating to student transportation because the school district could not provide any student transportation records for our review period. We also reported an adverse opinion for 1 school district as a result of material noncompliance with State requirements relating to student transportation because none of the records documenting student ridership were signed by the bus drivers to attest to the accuracy of the records. Our examinations disclosed that, except for the material noncompliance noted in certain FEFP programs, the remaining 23 school districts, the Florida Virtual School, and the 3 university developmental research schools complied with State requirements. Generally, we considered noncompliance to be material when error rates equaled or exceeded 10 percent of the test population for one or more funded programs. Table 4 summarizes the areas of material noncompliance noted in our reports.

Table 4
Tabulation of Entities with FEFP FTE Student Enrollment
and Student Transportation Findings
by Material Noncompliance Area

Material Noncompliance Area	Number of Districts
Preparation and Maintenance of Student Records	25
Teacher Qualifications	17
Ridership Classification and Funding Eligibility of Transported Students	14

As shown in Table 4, the most common area of material noncompliance pertained to the preparation and maintenance of student records. For example, our examinations disclosed reporting errors or student records that were not properly or accurately prepared or were not available at the time of our examination and could not be subsequently located. We also noted instances in which teachers did not meet State certification requirements, teachers' out-of-field assignments were not approved by the school board, parents were not notified regarding teachers' out-of-field status, teachers did not earn college credits toward certification in out-of-field areas, and teachers did not earn the required in-service training points in English for Speakers of Other Languages strategies. The material noncompliance we noted related to student transportation involved students' reported ridership classification or eligibility for State transportation funding.

The Department of Education is responsible for resolving the adjustments proposed in our examination reports and computing the financial impact of such proposed adjustments for application against the school districts' current or future funding. School districts are permitted to request informal conferences with the Department of Education to appeal the examinations' proposed adjustments. The resulting informal conference panels' recommendations are presented to the Commissioner of Education for acceptance.

A listing of all FEFP FTE Student Enrollment and Student Transportation attestation examination reports issued during the period November 1, 2019, through October 31, 2020, is included in EXHIBIT B of this Annual Report.

STATE UNIVERSITIES AND STATE COLLEGES

State Universities and State Colleges Audit Impact Measures

Total asset values upon which financial statement opinions were rendered	\$35.7 billion
Total revenues upon which financial statement opinions were rendered	\$19.5 billion
Number of audit reports issued	
Financial	40
Operational ^a	11
Total number of audit reports issued	51
Number of audit findings	35
Number of findings identifying potential opportunities for cost recovery, savings, or loss avoidance	13
Total amount identified for cost recovery, savings, or loss avoidance	\$3,782

^a Excludes Information Technology Operational Audits discussed later in this Annual Report under the subheading **INFORMATION TECHNOLOGY**.

Financial Statements During the period November 1, 2019, through October 31, 2020, we completed audits of the financial statements of 12 State universities and 28 State colleges for the fiscal year ended June 30, 2019. We found that the State universities and State colleges presented fairly, in all material respects, the financial statements for the applicable fiscal years in accordance with accounting principles generally accepted in the United States of America. However, we noted a significant deficiency at 1 State university pertaining to improvement needed in university procedures to ensure that account balances and transactions associated with other postemployment benefits are properly recorded and reported.

Federal Awards We audited the Federal awards program expenditures of the State universities and State colleges as part of our Single Audit of the State of Florida. A description of our Single Audit of the State of Florida begins on page 15.

Operational Audits During the period November 1, 2019, through October 31, 2020, we issued operational audit reports for 6 State universities and 5 State colleges. Our operational audits focused on several areas involving board oversight, such as policies regarding State university or State college assessment and use of tuition and fees, as well as employment agreements and compensation. Our audits also evaluated internal controls over numerous operational areas and compliance with applicable Florida statutes and other requirements. For example, we tested selected information technology

internal controls and the administration of personnel and payroll, tuition and fees, and textbook affordability.

Our operational audit findings and the financial audit finding are tabulated in Table 5 by audit area.

Table 5
Tabulation of State University and State College
Audit Findings by Audit Area

Audit Area	Number of	
	Findings	Institutions
Construction and Related Activities	1	1
Direct-Support Organizations	3	3
Financial Management	3	3
Information Technology Internal Controls	7	7
Investments	1	1
Personnel and Payroll	6	6
Purchasing Practices and Contractual Services	3	2
Textbook Affordability	5	5
Tuition and Fees	6	6

Some findings we noted at several State universities or State colleges are summarized below.

- ◆ **Information Technology Internal Controls** – For seven institutions, our audits disclosed that information technology (IT) internal controls enhancements were needed for financial and related systems. We noted an increased risk of unauthorized disclosure of prospective, former, and current students’ sensitive personal information, including social security numbers, due to unnecessary user access privileges. We also noted instances in which institutions had not established an agreement with an off-site alternate IT processing facility to ensure that critical IT operations could continue in the event of a disaster. Other internal control deficiencies noted include the lack of an off-site backup facility and the lack of a comprehensive disaster recovery plan.
- ◆ **Personnel and Payroll** – Six institutions needed to improve the administration of personnel and payroll functions. For example, we noted instances in which institutions made severance and terminal sick leave payments that exceeded the limits established in State law. We also noted that required background screenings were not always performed and documented for individuals in positions of special trust and responsibility. The records at one institution did not always evidence that, for administrative new hires, interviews were conducted and work experience was verified. Another institution did not always conduct required annual employee performance appraisals. Amounts identified for cost recovery, savings, or loss avoidance related to the personnel and payroll audit findings totaled \$3,782.
- ◆ **Tuition and Fees** – Six institutions needed to improve internal controls over the assessment of student tuition and fees. For example, we noted at three institutions that records did not always demonstrate compliance with State law requiring that laboratory fees be limited to the cost of services provided. We also noted at one institution for the period July 2015 through October 2019 that student orientation and nonrefundable application fees exceeded amounts specified in State law and Board of Governors (BOG) and University regulations by \$5.1 million. In addition, one

institution did not always require students paying Florida residency rates to provide Florida residency affidavits.

- ◆ **Textbook Affordability** – Five institutions needed to improve textbook affordability policies and procedures. For example, we noted that certain institutions did not timely post textbook information to the institutions' Web sites and to the institutions' course registration system and some institutions did not maintain records to document the dates the required textbook information was posted. College and university chancellors are required to report the required and recommended textbooks information to the State Board of Education and the BOG, as applicable, and we noted an instance in which institution personnel relayed inaccurate information to the chancellor for this purpose.
- ◆ **Financial Management** – One institution subsequently withdrew amounts for additional administrative costs totaling \$2.395 million from the Complete Florida Plus Program (Program) without apparent legal authority. In addition, during the 2017-18 fiscal year, the institution did not maintain personnel activity reports or other records to support the purpose for and value of Program salary and benefits costs totaling \$11.9 million.

A listing of all State university and State college audit reports issued during the period November 1, 2019, through October 31, 2020, is included in [EXHIBIT B](#) of this Annual Report.

OTHER EDUCATIONAL ENTITIES AND PROGRAMS

Florida Bright Futures Scholarship Program Pursuant to Sections 11.45 and 1009.53(5)(c), Florida Statutes, we conducted an operational audit of the administration of the Bright Futures Scholarship Program (Program) by the State's 12 universities and 28 colleges for the fiscal years ended June 30, 2018, and June 30, 2019. Program funds disbursed to students during those fiscal years totaled \$345 million and \$492 million, respectively. Our audit disclosed that 9 of the 40 institutions did not always comply with State law and Department of Education (DOE) policies by timely refunding undisbursed Program funds, ranging from \$539 to \$7,860, to the DOE. We also noted that 3 of the 40 institutions did not timely remit undisbursed Program advances totaling \$51,349, to the DOE.

Miami Dade College Foundation We conducted an operational audit of the Miami-Dade College Foundation for the period April 2017 through March 2018, and selected Foundation actions taken prior and subsequent thereto. Our findings included, for example:

- ◆ Foundation electronic funds transfer (EFT) controls were not always effective as EFT duties for preparing, approving, and recording EFTs were not adequately separated and some employees had excessive EFT dollar approval limits.
- ◆ Foundation records were not always maintained to demonstrate that scholarship recipients met donor-established eligibility requirements.
- ◆ Foundation efforts to apprise students of scholarship opportunities could be enhanced.
- ◆ The Foundation had not established policies and procedures to identify when spending distributions from endowment fund corpus balances should be suspended, and did not effectively monitor and limit such distributions when the fair value of the corpus balances were less than either the original gift amount or the amount required by the donor to be maintained.
- ◆ Contrary to Foundation policies, the Foundation received a \$2.2 million contribution without an executed agreement with the donor outlining the programs to be supported or a schedule of contributions.
- ◆ The Foundation did not budget for all revenues and expenses of the temporarily restricted and permanently restricted funds or amend the annual operating budget of the unrestricted fund to include additional funds received and expensed during the 2017-18 fiscal year.

A listing of all audit reports issued during the period November 1, 2019, through October 31, 2020, including the audit reports on the Florida Bright Futures Scholarship Program and the Miami Dade College Foundation, is included in **EXHIBIT B** of this Annual Report.

INFORMATION TECHNOLOGY

INFORMATION TECHNOLOGY AUDITS

Public entities rely on information technology (IT) to record, process, maintain, and report essential financial and program information necessary to achieve their missions and business objectives. The widespread use of IT, without proper safeguards, can lead to vulnerabilities that allow the introduction of errors by employees in their daily work processes and actions by persons with malicious intentions. As such, IT internal controls are a critical component of public entity internal control systems and public entity management has an important stewardship responsibility for establishing effective IT internal controls. Such controls should reasonably assure the achievement of management's control objectives, including, in particular, assuring the confidentiality, integrity, and availability of data and IT resources. The absence of effective IT internal controls can result in significant risks to public entity operations and assets, such as the risk of unauthorized or erroneous disclosure, modification, or destruction of financial or sensitive information and IT resources.

The Auditor General evaluates the effectiveness of internal controls over IT in financial audits and operational audits. Consideration of IT internal controls is an essential and significant part of the audit process in these audits because public entity business processes that are relevant to the audit objectives are usually dependent on IT. The Auditor General also conducts IT operational audits of significant IT systems, processes, and controls.

State Agencies and Related Entities We issued five IT operational audit reports for State agencies and related entities during the period November 1, 2019, through October 31, 2020. These audits evaluated critical or complex systems, processes, or controls at six State agencies and the State Board of Administration. These systems, processes, and controls included:

- ◆ Selected IT controls for the Cash Management Subsystem, Investment Accounting System, and Bank Accounts application of the Division of Treasury at the Department of Financial Services.
- ◆ The Florida Accounting Information Resource Subsystem (FLAIR) – the State of Florida's accounting system that maintains State agency accounting and State budget control records and processes the State's payroll.
- ◆ State Data Center operations at the Department of Management Services (the operations transferred from the Agency for State Technology to the Department of Management Services during the period of the audit).
- ◆ Selected IT controls applicable to the storage, sanitization, and disposal of surplus computer hard drives at four selected State agencies.
- ◆ Selected IT general controls at the State Board of Administration and application-level general IT controls for the Florida PRIME System.

Educational and Related Entities During the period November 1, 2019, through October 31, 2020, we issued six IT operational audit reports for educational entities, including reports for the Northwest

Regional Data Center (NWRDC) at Florida State University, two State colleges, and three school districts. These audits evaluated:

- ◆ Selected IT controls at the St. Johns County District School Board applicable to the PowerSchool Unified Administration™ BusinessPlus and the PowerSchool eSchoolPlus Student Information System and the infrastructure supporting each system.
- ◆ Data center operations at the NWRDC.
- ◆ Selected IT controls at the Florida Southwestern State College applicable to Ellucian Banner® Enterprise Resource Planning system, the system’s supporting infrastructure, and the College’s compliance with the Federal Trade Commission Standards for Safeguarding Customer Information.
- ◆ Selected IT controls at the Leon County District School Board applicable to the Focus Student Information System and the system’s supporting infrastructure.
- ◆ Selected IT controls at the Palm Beach County District School Board applicable to the Oracle PeopleSoft Applications and the Focus Student Information System.
- ◆ Selected IT controls at the State College of Florida, Manatee-Sarasota applicable to Ellucian Banner® Enterprise Resource Planning system, the system’s supporting infrastructure, and the College’s compliance with the Federal Trade Commission Standards for Safeguarding Customer Information.

Our IT operational audit report findings primarily pertained to internal controls underlying the overarching principles for data integrity, data confidentiality, and data or IT resource availability. We noted findings related to general controls as well as business process application controls. Our findings are tabulated by control area in Table 6.

Table 6
Tabulation of Information Technology
Operational Audit Findings by Control Area

Control Area	Number of	
	Findings	Entities
Business Process Application Controls:		
Application-Level General	9	6
Configuration Management	1	1
General Controls:		
Security Management	12	11
Access	6	7
Contingency Planning	5	2

Some of the common application-level findings related to:

- ◆ Excessive or unnecessary user access privileges.
- ◆ Untimely removal of user access privileges.
- ◆ Insufficient review of the appropriateness of user access privileges.
- ◆ Inadequate controls over change management.

Some of the common access findings related to:

- ◆ Excessive or unnecessary user access privileges assigned to supporting infrastructure, including physical access privileges.
- ◆ Insufficient review of the appropriateness of user access privileges, including physical access privileges.

Some of the common contingency planning findings related to:

- ◆ Inadequate controls over backup data media.
- ◆ Lack of periodic restoration testing from backup media.
- ◆ Insufficient disaster recovery plans and procedures.

Many of the security management findings tabulated in Table 6 related to certain sensitive matters. To avoid the possibility of compromising entity data and IT resources, we did not disclose in the public reports the specific details of these sensitive matters but separately communicated those details to applicable entity management. The sensitive matters involved security control deficiencies relating to various topics such as logical access, tape encryption, user authentication, service accounts, logging and monitoring, physical security, configuration management, mobile device management, and vulnerability management.

We also reported four findings related to data center operations at the NWRDC and the State Data Center. Some of the common data center operations findings related to insufficient asset management procedures.

ANALYTICAL AND AUTOMATED PROCEDURES AND AUDIT APPLICATIONS

In addition to IT operational audits, extensive IT support is provided to the Auditor General's financial and operational audit and attestation examination engagements through computer assisted audit techniques (CAATs) services. Such services are focused, allow for extensive data analysis in an efficient manner, and are accomplished by obtaining detailed information that can be used to prepare reconciliations, summaries, samples of detailed transactions, and range reports for our professional audit staff. CAATs services also include a variety of data queries and other data analyses that can identify unexpected or unexplained patterns that may be indicative of fraud. With the volume of data continuously growing, the use of CAATs allows increased audit coverage, more thorough and consistent analysis of data, and reduced audit risk.

In addition, custom computer application systems are maintained by IT support staff to support numerous audit activities. Examples include applications for our electronic audit working papers that document the audit work performed, for analyzing and compiling financial statement adjustments, and for support of our reviews of local government, school district, and charter school audit reports prepared by other independent certified public accountants.

A listing of all IT operational audit reports issued during the period November 1, 2019, through October 31, 2020, is included in [EXHIBIT B](#) of this Annual Report.

OTHER AUDITS AND ACCOUNTABILITY ACTIVITIES

LOCAL GOVERNMENT AUDITS

Pursuant to Section 11.45(2)(j), Florida Statutes, we audit local governmental entities when determined necessary by the Auditor General, when directed by the Legislative Auditing Committee or the Legislature, or when otherwise required by law. During the period November 1, 2019, through October 31, 2020, we issued reports on three operational audits directed by the Legislative Auditing Committee and Legislature; reports on two operational audits of water management districts, pursuant to Section 11.45(2)(f), Florida Statutes; and reports on follow-up procedures we performed pursuant to Section 11.45(2)(j), Florida Statutes, for three operational audits of local governmental entities.

City of Palm Bay The findings disclosed in our operational audit report No. 2020-069 included, for example:

- ◆ The City did not document efforts to secure contributions from other governmental entities and from developers for highway interchange and connector road projects. In addition, City personnel did not provide complete and accurate information to the City Council regarding anticipated funding needs for the projects.
- ◆ City controls over the competitive selection of design criteria and design-build professional services need enhancement to ensure compliance with State law and the City Procurement Manual, and to improve transparency.
- ◆ The City Council's purchasing threshold of \$100,000 appeared excessive when compared to purchasing thresholds at comparable-sized municipalities.
- ◆ The City had not established policies and procedures to ensure that severance pay amounts do not exceed the limits specified in State law and are supported by documentation evidencing the public purpose for such pay.

City of Gulf Breeze The findings disclosed in our operational audit report No. 2021-030 included for example:

- ◆ City records did not demonstrate that the City's purchase of the entire 365-acre Tiger Point Golf Club (TPGC) was necessary or that the process used to acquire the property was prudent and appropriate. Notwithstanding the intent to make the TPGC a successful golf venue, the City has experienced ongoing losses from TPGC operations totaling \$5.4 million through the 2017-18 fiscal year.
- ◆ The City did not, of record, assess that it was economically or otherwise advantageous for the City to use contracted entities to administer its financing programs. Additionally, the use of these entities resulted in less accountability and transparency for program transactions and activities when compared to direct administration of those programs by the City, and resulted in costs that could have been avoided had City personnel been solely responsible for administering the financing programs.
- ◆ City records did not always evidence that utility rate studies were based on applicable cost factors and that enterprise fund transfers for internal services costs were proper and reasonable.

Town of Caryville The findings disclosed in our operational audit report No. 2021-016 included, for example:

- ◆ According to the financial audit report for the 2016-17 fiscal year, the Town's most recent audit as of June 2020, the Town had experienced deteriorating financial conditions. In addition, due to inadequate and incomplete financial records, the Town's financial condition as of June 2020 could not be determined.
- ◆ The Town did not timely obtain a 2016-17 fiscal year financial audit and, as a result, the Department of Revenue withheld \$7,397 from the Town, including \$4,030 for half-cent sales tax revenues and \$3,367 for municipal revenue sharing revenues.
- ◆ Bank account reconciliations were not always timely performed and financial reports and related records were not always in agreement.

Suwanee River Water Management District The findings in our operational audit report No. 2020-106 disclosed that:

- ◆ District board policies did not require documented legal determinations to aid in evaluating whether potential conflicts of interest would be contrary to State law, resulting in two Board members receiving cost-share project awards.
- ◆ Records did not always demonstrate compliance with Board policies and procedures governing the receipt and use of agricultural cost-share funds.
- ◆ The District did not establish a comprehensive disaster recovery plan.

Southwest Florida Water Management District Our operational audit report No. 2021-019 did not disclose any findings and recommendations regarding District processes and administrative activities included within the scope of our audit that were required to be reported in writing.

Follow-Up Procedures Section 11.45(2)(j), Florida Statutes, requires the Auditor General to, no later than 18 months after the release of a report on the audit of a local governmental entity, perform such appropriate follow-up procedures as deemed necessary to determine the audited entity's progress in addressing the findings contained within our previous report. We performed such procedures to determine the extent to which the following entities had corrected, or were in the process of correcting, findings disclosed in our previous reports.

- ◆ **Walton County Board of County Commissioners, Clerk of the Circuit Court, and Use of Funds Related to the Deepwater Horizon Oil Spill** - Our follow-up audit report No. 2020-050 disclosed that, of the 11 findings and recommendations contained in our report No. 2017-123, the Board of County Commissioners' actions corrected 3 findings, partially corrected 5 findings, and did not correct 1 finding. The Clerk of the Circuit Court corrected 1 finding and partially corrected 1 finding.
- ◆ **Citrus County Board of County Commissioners – Detention Center Management Services Contract and Selected Administrative Activities** - Our follow-up audit report No. 2020-122 disclosed that, of the 7 findings and recommendations contained in our report No. 2018-007, the Board of County Commissioners' actions corrected 5 findings and partially corrected 2 findings.
- ◆ **Hillsborough County Aviation Authority – Tampa International Airport – 2012 Master Plan Capital Projects** - Our follow-up audit report No. 2020-128 disclosed that, of the 12 findings and recommendations contained in our report No. 2018-080, the Authority's actions corrected 8 findings, partially corrected 3 findings, and did not correct one finding.

SCHOLARSHIP FUNDING ORGANIZATIONS

Pursuant to Sections 11.45(2)(l), 1002.385(14)(a), and 1002.40(12)(a), Florida Statutes, we conduct annual operational audits of the accounts and records of eligible nonprofit scholarship-funding organizations participating in a State-sponsored scholarship program authorized by Chapter 1002, Florida Statutes.

AAA Scholarship Foundation – FL, LLC In our operational audit report No. 2021-026, we noted that the Foundation generally complied with the applicable provisions governing the Florida Tax Credit Scholarship and Gardiner Scholarship Programs.

Step Up For Students, Inc. The findings in our operational audit report No. 2020-195 disclosed that:

- ◆ Step Up continued to collect student social security numbers on scholarship applications without notifying applicants of the purpose for collecting the numbers, contrary to State law; and grant certain employees unnecessary information technology access privileges to sensitive personal information of students.
- ◆ Step Up did not always promptly credit Gardiner Scholarship Program student accounts after materials purchased via the Step Up online ordering system were returned.

RULES OF THE AUDITOR GENERAL AND OTHER GUIDANCE

To promote audit quality, the Auditor General promulgates rules in consultation with the Florida Board of Accountancy and provides technical assistance to local government, nonprofit and for-profit organizations, local educational entities, and independent certified public accountants (CPAs). These rules (Chapters 10.550, 10.650, 10.700, 10.800, and 10.850) are updated annually and are readily accessible on the Auditor General Web site, www.FLAuditor.gov. Additionally, the Auditor General provides guidance for reviewing audit reports of charter schools, charter technical career centers, school districts, the Florida Virtual School, virtual instruction program providers, and local governmental entities.

The Auditor General publishes a compliance supplement to assist CPAs in conducting local governmental entity audits pursuant to Section 218.39, Florida Statutes. The Auditor General also publishes another compliance supplement to assist auditors in identifying significant compliance issues that affect the operations of school districts and to provide a resource for the efficient and cost-effective research of significant laws and rules applicable to school district operations.

REVIEWS OF AUDIT REPORTS

Section 11.45(7)(b), Florida Statutes, requires the Auditor General to review all audit reports submitted pursuant to Section 218.39, Florida Statutes. Section 218.39, Florida Statutes, requires that, for each year that the Auditor General does not conduct a financial audit of a charter school, charter technical career center, school district, county, and certain municipalities and special districts, the entity shall provide for an annual financial audit conducted by a CPA and submit a copy of the audit report to the Auditor General. We review the audit reports to determine whether:

- ◆ The auditor's reports comply with applicable *Government Auditing Standards* and Rules of the Auditor General.
- ◆ The accompanying financial statements conform to accounting principles generally accepted in the United States of America.
- ◆ The audit reports were prepared by independent CPAs properly licensed by the Florida Board of Accountancy.

Additionally, Section 215.97(12)(f), Florida Statutes, requires the Auditor General to perform ongoing reviews of financial reporting packages submitted pursuant to the Florida Single Audit Act to determine compliance with the reporting requirements of the Act and applicable Department of Financial Services rules and Rules of the Auditor General. We report the results of our reviews to the Legislature.

Significant Findings and Financial Trends In conjunction with our review of audit reports, we compile and transmit to the Legislature summaries of significant findings and financial trends identified in audit reports of charter schools, charter technical career centers, school districts, State universities, and local governmental entities.

OTHER ACTIVITIES

Required Notifications We are required by law to notify the Legislative Auditing Committee of any charter school, charter technical career center, school district, or local governmental entity, as applicable, that:

- ◆ Failed to comply with the Section 218.39, Florida Statutes, audit requirements.¹⁰
- ◆ Failed to take full corrective action in response to a recommendation included in a financial audit report that was also included in the two preceding financial audit reports.¹¹
- ◆ Failed to provide significant items omitted from audit reports submitted to us.
- ◆ Failed to provide evidence of corrective action taken for noncompliance with Section 218.415, Florida Statutes, as noted by other CPAs.
- ◆ Met one or more of the conditions specified in Section 218.503(1), Florida Statutes.¹²

¹⁰ For special districts, we are also required to notify the Department of Economic Opportunity.

¹¹ This requirement also applies to operational audits of school districts, State universities, and State colleges conducted pursuant to Section 11.45, Florida Statutes.

¹² For charter schools, charter technical career centers, and school districts, we are also required to notify the Commissioner of Education. For local governmental entities, we are also required to notify the Governor.

We are also required to notify the President of the Senate, the Speaker of the House of Representatives, and the Department of Financial Services of all charter schools, charter technical career centers, school districts, State universities, State colleges, and local governmental entities that failed to comply with statutory transparency requirements as identified in audit reports reviewed pursuant to Section 11.45(7)(b), Florida Statutes, or by audits conducted by the Auditor General pursuant to Section 11.45(2), Florida Statutes.

Effective July 1, 2019, pursuant to Section 11.45(2)(k), Florida Statutes, we are required to contact each school district with findings and recommendations contained within the previous operational audit report and request evidence of the initiation of corrective action within 45 days and evidence of completion of corrective action within 180 days. If the school district fails to timely comply with our request or is unable to take corrective action within the required time frame, we are to notify the Legislative Auditing Committee.

Quality Assessment Reviews Pursuant to Section 11.45(2)(i), Florida Statutes, the Auditor General conducts quality assessment reviews of State agencies' Offices of Inspectors General (OIGs) internal audit activities. We issued three quality assessment review reports during the period November 1, 2019, through October 31, 2020. Two of the reports addressed review periods of July 2018 through June 2019, and one report addressed a review period of January 2019 through December 2019.

For each of the three reviews, we reported that the quality assurance and improvement program related to the OIGs' internal audit activity was adequately designed and complied with during the review period to provide reasonable assurance of conformance with applicable professional auditing standards and the Code of Ethics issued by the Institute of Internal Auditors. We also found that the OIGs generally complied with those provisions of Section 20.055, Florida Statutes, governing the operation of State agencies' OIG internal audit activities.

For the OIG of the Department of Children and Families, we noted that, while not material to overall conformance to professional auditing standards, the OIG could better demonstrate compliance with professional auditing standards by conducting periodic internal assessments to evaluate conformance with the Code of Ethics and the *International Standards for the Professional Practice of Internal Auditing*.

We also found that the OIG of the Fish and Wildlife Conservation Commission could enhance compliance with Section 20.055, Florida Statutes, by ensuring that written responses regarding the status of corrective actions taken with respect to reports issued by the Auditor General are timely submitted to the Executive Director of the Commission and the Legislative Auditing Committee in accordance with Section 20.055(6)(h), Florida Statutes.

Professional Activities To help accomplish our Professional Services Goal, we communicate and work with professional associations to improve governmental accounting, auditing, and financial reporting and to promote the efficient use of government resources. During the period covered by this Annual Report, our professional audit staff participated in National and State standards-setting processes and served as members of various National, State, and local professional organization boards, committees, and work groups.

A listing of audit reports and reports on other accountability activities issued during the period November 1, 2019, through October 31, 2020, is included in **EXHIBIT B** of this Annual Report.

ANNUAL REPORT EXHIBITS

EXHIBIT A is our projected work plan for the 2021-22 and 2022-23 fiscal years and, as additional information, we have included three other exhibits in this Annual Report.

<p>EXHIBIT A Projected Work Plan 2021-2022 and 2022-2023</p>	<p>EXHIBIT A represents our Projected 2-Year Work Plan for the 2021-22 and 2022-23 fiscal years based on our analyses as of November 30, 2020. Modifications to the Work Plan may be made in response to law changes, legislative requests, or other considerations. For information on our methodology for establishing our Work Plan, see pages 10 through 12.</p>	<p>Pages 41 - 44</p>
<p>EXHIBIT B Reports Issued During the Period November 1, 2019, Through October 31, 2020</p>	<p>EXHIBIT B lists each report we issued during the period November 1, 2019, through October 31, 2020. The report information is generally provided by entity type; however, some report information is listed under other audits and accountability activities.</p>	<p>Pages 45 - 51</p>
<p>EXHIBIT C Reports Issued or Scheduled to Be Issued Subsequent to October 31, 2020, and by March 31, 2021</p>	<p>EXHIBIT C provides information on our audit activities completed or in progress subsequent to the October 31, 2020, cutoff date for this Annual Report. We post reports to our Web site www.FLAuditor.gov as the reports are issued.</p>	<p>Pages 52 - 54</p>
<p>EXHIBIT D Auditor General Contact Information</p>	<p>EXHIBIT D includes the names and telephone numbers of Auditor General management and each individual's areas of reporting responsibility. Contact information is also located in each audit report.</p>	<p>Page 55</p>

EXHIBIT A

PROJECTED WORK PLAN 2021 – 2022

◆ Financial Audits:

- *Department of the Lottery*
- *Florida Retirement System Pension Plan and Other State-Administered Systems Schedules of Employer Allocations and Pension Amounts by Employer*
- *Florida School for the Deaf and the Blind*
- *Local Government Surplus Funds Trust Fund*
- *School Districts, including Audits of Federal Awards, as applicable (45)*
- *State of Florida Reporting Entity, including the Audit of Federal Awards*
- *State Colleges (28)*
- *State Universities (12)*

◆ Operational and Performance Audits:

- *Agency for Health Care Administration*
- *Agency for Persons with Disabilities*
- *Citizens Property Insurance Corporation*
- *Department of Children and Families*
- *Department of Children and Families – Florida Online Recipient Integrated Data Access (FLORIDA) System – Information Technology Audit*
- *Department of Corrections*
- *Department of Economic Opportunity*
- *Department of Environmental Protection*
- *Department of Financial Services – Florida Accounting Information Resource Subsystem (FLAIR) – Information Technology Audit*
- *Department of Health*
- *Department of Juvenile Justice*
- *Department of Law Enforcement – Information Technology Audit*
- *Department of Legal Affairs*
- *Department of the Lottery*
- *Department of Management Services – Division of Retirement Integrated Retirement Information System (IRIS) – Information Technology Audit*
- *Department of Management Services – State Data Center Operations – Information Technology Audit*
- *Department of Revenue – Ad Valorem Tax Program*

EXHIBIT A

PROJECTED WORK PLAN 2021 – 2022

◆ **Operational and Performance Audits (Continued):**

- *Division of Emergency Management*
- *Florida Bright Futures Scholarship Program*
- *Florida Public Postsecondary Career Education Student Assistance Grant Program*
- *Florida Public Student Assistance Grant Program*
- *Information Technology Audits of Selected State Agency and Educational Entity Major Systems*
- *Multi-Agency Audit of Disaster Recovery – Information Technology Audit*
- *Office of Financial Regulation*
- *Public Service Commission*
- *Selected Local Governmental Entities*
- *Scholarship Funding Organizations*
- *School Districts (26)*
- *State Colleges (13)*
- *State Universities (5)*
- *Triumph Gulf Coast, Inc.*

◆ **Florida Education Finance Program Examinations:**

- *School Districts (30)*

◆ **Other Accountability Activities:**

- *Annual Reviews of Audit Reports of Charter Schools, Charter Technical Career Centers, School Districts, Local Governmental Entities, and Certain Nonprofit and For-Profit Entities*
- *Compilations of Significant Findings and Financial Trends*
- *Per Diem Cost Certifications upon the Request of the Department of Management Services or Department of Corrections*
- *Quality Assessment Reviews of Offices of Inspectors General Internal Audit Activities (13)*
- *Technical Advice and Rule and Guideline Maintenance*

EXHIBIT A

PROJECTED WORK PLAN 2022 – 2023

◆ Financial Audits:

- *Department of the Lottery*
- *Florida Retirement System Pension Plan and Other State-Administered Systems Schedules of Employer Allocations and Pension Amounts by Employer*
- *Florida School for the Deaf and the Blind*
- *Local Government Surplus Funds Trust Fund*
- *School Districts, including Audits of Federal Awards, as applicable (45)*
- *State of Florida Reporting Entity, including the Audit of Federal Awards*
- *State Colleges (28)*
- *State Universities (12)*

◆ Operational and Performance Audits:

- *Agency for Health Care Administration*
- *Department of Agriculture and Consumer Services*
- *Department of Children and Families*
- *Department of Citrus*
- *Department of Corrections*
- *Department of Education*
- *Department of Elder Affairs*
- *Department of Financial Services*
- *Department of Financial Services – Florida Accounting Information Resource Subsystem (FLAIR) – Information Technology Audit*
- *Department of Health*
- *Department of Highway Safety and Motor Vehicles*
- *Department of Law Enforcement*
- *Department of Management Services*
- *Department of Military Affairs*
- *Department of Revenue*
- *Department of State*
- *Department of Transportation*
- *Department of Veterans' Affairs*
- *Executive Office of the Governor*
- *Florida School for the Deaf and the Blind*

EXHIBIT A

PROJECTED WORK PLAN 2022 – 2023

◆ **Operational and Performance Audits (Continued):**

- *Information Technology Audits of Selected State Agency and Educational Entity Major Systems*
- *Office of Early Learning*
- *Office of Insurance Regulation*
- *Selected Local Governmental Entities*
- *Scholarship Funding Organizations*
- *School Districts (21)*
- *State Colleges (6)*
- *State Universities (5)*
- *Triumph Gulf Coast, Inc.*

◆ **Florida Education Finance Program Examinations:**

- *School Districts (26)*

◆ **Other Accountability Activities:**

- *Annual Reviews of Audit Reports of Charter Schools, Charter Technical Career Centers, School Districts, Local Governmental Entities, and Certain Nonprofit and For-Profit Entities*
- *Compilations of Significant Findings and Financial Trends*
- *Per Diem Cost Certifications upon the Request of the Department of Management Services or Department of Corrections*
- *Quality Assessment Reviews of Offices of Inspectors General Internal Audit Activities (7)*
- *Technical Advice and Rule and Guideline Maintenance*

EXHIBIT B
Reports Issued During the Period
November 1, 2019, Through October 31, 2020

Report Number	Audited Entity and Report Title	Report Issue Date
State Government		
2021-013	Agency for Health Care Administration - Analysis of Selected Medicaid Claims Data - Operational Audit	08/31/2020
2020-090	Department of Children and Families - Office of Public Benefits Integrity and Selected Administrative Activities - Operational Audit	01/07/2020
2021-043	Department of Children and Families - Oversight and Administration of State Mental Health Treatment Facilities - Operational Audit	10/16/2020
2020-059	Department of Citrus - Contract Procurement and Management - Operational Audit	11/20/2019
2020-192	Department of Corrections - Correctional Officer Recruitment, Certification, and Training and Selected Administrative Activities - Operational Audit	04/06/2020
2021-029	Department of Education - Office of Safe Schools and Prior Audit Follow-Up - Operational Audit	09/28/2020
2021-010	Department of Elder Affairs - Office of Public and Professional Guardians and Selected Administrative Activities - Operational Audit	08/21/2020
2021-046	Department of Financial Services - Division of Funeral, Cemetery, and Consumer Services and Prior Audit Follow-Up - Operational Audit	10/26/2020
2020-056	Department of Financial Services - Division of Treasury - Selected Treasury Systems - Information Technology Operational Audit	11/18/2019
2020-095	Department of Financial Services - Florida Accounting Information Resource Subsystem (FLAIR) - Information Technology Operational Audit	01/13/2020
2020-154	Department of Health - Food Service Establishment Licensing and Inspections and Prior Audit Follow-Up - Operational Audit	03/13/2020
2020-191	Department of Highway Safety and Motor Vehicles - Selected Administrative Activities and Prior Audit Follow-Up - Operational Audit	04/02/2020
2020-199	Department of Juvenile Justice - Procurement and Administration of Non-Residential Services Contracts - Selected Administrative Activities and Prior Audit Follow-Up - Operational Audit	05/06/2020
2020-062	Department of Law Enforcement - Administration of Aircraft, Selected Information Technology Controls, and Prior Audit Follow-up - Operational Audit	11/22/2019
2020-149	Department of Management Services - State Data Center Operations - Information Technology Operational Audit	03/12/2020
2020-086	Department of the Lottery - Comprehensive Annual Financial Report	12/20/2019
2021-014	Florida Retirement System and Retiree Health Insurance Subsidy Program Cost-Sharing Multiple Employer Defined Benefit Pension Plans Deferred Outflows for Contributions Subsequent to the June 30, 2019, Measurement Date by Employer	08/31/2020
2020-089	Florida Retirement System Pension Plan and Other State - Administered Systems - Financial Audit	01/03/2020
2020-065	Office of Insurance Regulation - Financial Oversight and Market Regulation of Insurers and Selected Administrative Activities - Operational Audit	11/26/2019
2020-099	Schedules of Employer Allocations and Pension Amounts by Employer for the Florida Retirement System Pension Plan and the Retiree Health Insurance Subsidy Program - Cost-Sharing Multiple Employer Defined Benefit Pension Plans	01/21/2020
2021-045	State Board of Administration - Information Technology General Controls and Florida PRIME System Application-Level General Controls - Information Technology Operational Audit	10/21/2020
2020-064	State Board of Administration - Local Government Surplus Funds Trust Fund (Florida PRIME) - (An External Investment Pool) - Financial Audit	11/25/2019

EXHIBIT B
Reports Issued During the Period
November 1, 2019, Through October 31, 2020

Report Number	Audited Entity and Report Title	Report Issue Date
State Government – Continued		
2020-170	State of Florida - Compliance and Internal Controls Over Financial Reporting and Federal Awards ^a	03/25/2020
2021-028	Surplus Computer Hard Drive Disposal Processes - At Selected State Agencies - Information Technology Operational Audit	09/25/2020
2020-187	The Florida School for the Deaf and the Blind - Financial Audit	03/31/2020
2021-020	The Florida School for the Deaf and the Blind - Selected Administrative Activities and Prior Audit Follow-Up - Operational Audit	09/10/2020
2020-057	Triumph Gulf Coast, Inc. - Operational Audit	11/19/2019
School Districts		
2020-080	Baker County District School Board - Financial and Federal Single Audit	12/17/2019
2021-023	Baker County District School Board - Operational Audit	09/17/2020
2020-160	Bradford County District School Board - Financial and Federal Single Audit	03/18/2020
2020-174	Brevard County District School Board - Financial and Federal Single Audit	03/26/2020
2020-206	Brevard County District School Board - Operational Audit	06/10/2020
2020-119	Calhoun County District School Board - Financial and Federal Single Audit	02/12/2020
2020-155	Charlotte County District School Board - Financial and Federal Single Audit	03/16/2020
2020-205	Charlotte County District School Board - Operational Audit	06/09/2020
2020-161	Citrus County District School Board - Financial and Federal Single Audit	03/19/2020
2020-158	Columbia County District School Board - Financial and Federal Single Audit	03/17/2020
2020-097	DeSoto County District School Board - Financial and Federal Single Audit	01/14/2020
2020-066	Dixie County District School Board - Financial Audit	12/02/2019
2020-107	Duval County District School Board - Comprehensive Annual Financial Report and Federal Single Audit	01/30/2020
2020-134	Duval County District School Board - Operational Audit	02/28/2020
2020-172	Escambia County District School Board - Operational Audit	03/25/2020
2020-145	Flagler County District School Board - Financial and Federal Single Audit	03/10/2020
2020-194	Flagler County District School Board - Operational Audit	04/20/2020
2020-063	Franklin County District School Board - Financial Audit	11/22/2019
2021-042	Franklin County District School Board - Operational Audit	10/16/2020
2020-138	Gadsden County District School Board - Financial and Federal Single Audit	03/05/2020
2020-166	Gilchrist County District School Board - Financial and Federal Single Audit	03/24/2020
2020-068	Gilchrist County District School Board - Operational Audit	12/05/2019
2020-175	Glades County District School Board - Financial and Federal Single Audit	03/26/2020
2020-144	Gulf County District School Board - Financial and Federal Single Audit	03/09/2020
2020-102	Hamilton County District School Board - Financial and Federal Single Audit	01/22/2020
2020-115	Hardee County District School Board - Financial and Federal Single Audit	02/11/2020
2020-177	Hendry County District School Board - Financial and Federal Single Audit	03/27/2020
2020-091	Highlands County District School Board - Financial and Federal Single Audit	01/07/2020

^a Our independent auditor's report on the State of Florida's financial statements was published in the State of Florida's *Comprehensive Annual Financial Report for the Fiscal Year Ended June 30, 2019*.

EXHIBIT B
Reports Issued During the Period
November 1, 2019, Through October 31, 2020

Report Number	Audited Entity and Report Title	Report Issue Date
School Districts – Continued		
2020-111	Holmes County District School Board - Financial and Federal Single Audit	02/03/2020
2020-186	Indian River County District School Board - Financial and Federal Single Audit	03/31/2020
2021-015	Indian River County District School Board - Operational Audit	09/01/2020
2020-101	Jackson County District School Board - Financial and Federal Single Audit	01/21/2020
2020-133	Jefferson County District School Board - Financial Audit	02/28/2020
2020-142	Lafayette County District School Board - Financial and Federal Single Audit	03/09/2020
2021-049	Lake County District School Board - Operational Audit	10/29/2020
2020-201	Lee County District School Board - Operational Audit	05/15/2020
2020-156	Leon County District School Board - Focus Student Information System and Prior Audit Follow-Up - Information Technology Operational Audit	03/17/2020
2021-031	Leon County District School Board - Operational Audit	10/01/2020
2020-159	Levy County District School Board - Financial and Federal Single Audit	03/17/2020
2020-118	Liberty County District School Board - Financial and Federal Single Audit	02/12/2020
2020-151	Madison County District School Board - Financial and Federal Single Audit	03/13/2020
2020-060	Madison County District School Board - Operational Audit	11/21/2019
2020-147	Manatee County District School Board - Comprehensive Annual Financial Report and Federal Single Audit	03/12/2020
2020-081	Martin County District School Board - Comprehensive Annual Financial Report and Federal Single Audit	12/18/2019
2021-018	Martin County District School Board - Operational Audit	09/09/2020
2020-163	Miami-Dade County District School Board - Financial and Federal Single Audit	03/20/2020
2020-203	Miami-Dade County District School Board - Operational Audit	05/22/2020
2020-076	Monroe County District School Board - Comprehensive Annual Financial Report and Federal Single Audit	12/13/2019
2020-132	Nassau County District School Board - Financial and Federal Single Audit	02/27/2020
2020-148	Okeechobee County District School Board - Financial and Federal Single Audit	03/12/2020
2021-034	Okeechobee County District School Board - Operational Audit	10/05/2020
2020-176	Orange County District School Board - Financial and Federal Single Audit	03/26/2020
2020-121	Orange County District School Board - Operational Audit	02/18/2020
2020-077	Osceola County District School Board - Comprehensive Annual Financial Report and Federal Single Audit	12/13/2019
2020-197	Osceola County District School Board - Operational Audit	04/23/2020
2020-189	Palm Beach County District School Board - Financial and Federal Single Audit	03/31/2020
2021-004	Palm Beach County District School Board - Oracle PeopleSoft Applications and Focus Student Information System - Information Technology Operational Audit	07/17/2020
2020-108	Pasco County District School Board - Comprehensive Annual Financial Report and Federal Single Audit	01/30/2020
2020-074	Pasco County District School Board - Operational Audit	12/12/2019
2020-167	Putnam County District School Board - Financial and Federal Single Audit	03/24/2020
2020-093	Putnam County District School Board - Operational Audit	01/10/2020
2020-116	Santa Rosa County District School Board - Financial and Federal Single Audit	02/11/2020

EXHIBIT B
Reports Issued During the Period
November 1, 2019, Through October 31, 2020

Report Number	Audited Entity and Report Title	Report Issue Date
School Districts – Continued		
2020-110	Santa Rosa County District School Board - Operational Audit	02/03/2020
2021-012	Sarasota County District School Board - Construction Expenses and Related Controls and Prior Audit Follow-Up - Operational Audit	08/27/2020
2020-053	St. Johns County District School Board - PowerSchool Unified Administration™ BusinessPlus and PowerSchool eSchoolPlus Student Information System - Information Technology Operational Audit	11/13/2019
2020-137	Sumter County District School Board - Financial and Federal Single Audit	03/05/2020
2020-087	Suwannee County District School Board - Financial and Federal Single Audit	12/20/2019
2020-117	Taylor County District School Board - Financial and Federal Single Audit	02/11/2020
2021-022	Taylor County District School Board - Operational Audit	09/16/2020
2020-113	Union County District School Board - Financial and Federal Single Audit	02/07/2020
2021-040	Union County District School Board - Operational Audit	10/15/2020
2020-098	Wakulla County District School Board - Financial and Federal Single Audit	01/16/2020
2020-153	Walton County District School Board - Financial and Federal Single Audit	03/13/2020
2021-047	Walton County District School Board - Operational Audit	10/28/2020
2020-125	Washington County District School Board - Financial and Federal Single Audit	02/21/2020
2020-079	Washington County District School Board - Operational Audit	12/17/2019
Florida Education Finance Program		
2020-204	Alachua County District School Board - Florida Education Finance Program - Attestation Examination	05/28/2020
2020-193	Bradford County District School Board - Florida Education Finance Program - Attestation Examination	04/09/2020
2020-084	Broward County District School Board - Florida Education Finance Program - Attestation Examination	12/20/2019
2020-083	Citrus County District School Board - Florida Education Finance Program - Attestation Examination	12/19/2019
2020-082	Clay County District School Board - Florida Education Finance Program - Attestation Examination	12/18/2019
2021-039	Collier County District School Board - Florida Education Finance Program - Attestation Examination	10/15/2020
2020-072	DeSoto County District School Board - Florida Education Finance Program - Attestation Examination	12/12/2019
2020-196	Dixie County District School Board - Florida Education Finance Program - Attestation Examination	04/22/2020
2020-202	Escambia County District School Board - Florida Education Finance Program - Attestation Examination	05/20/2020
2021-035	Flagler County District School Board - Florida Education Finance Program - Attestation Examination	10/07/2020
2021-011	Florida Agricultural and Mechanical University Developmental Research School - Florida Education Finance Program - Attestation Examination	08/25/2020
2020-200	Florida Atlantic University Schools - Florida Education Finance Program - Attestation Examination	05/07/2020
2020-198	Florida Virtual School - Florida Education Finance Program - Attestation Examination	04/27/2020
2021-001	Gadsden County District School Board - Florida Education Finance Program - Attestation Examination	07/10/2020
2020-055	Glades County District School Board - Florida Education Finance Program - Attestation Examination	11/18/2019
2021-017	Hendry County District School Board - Florida Education Finance Program - Attestation Examination	09/08/2020
2020-051	Holmes County District School Board - Florida Education Finance Program - Attestation Examination	11/06/2019
2020-061	Jefferson County District School Board - Florida Education Finance Program - Attestation Examination	11/22/2019
2021-003	Miami-Dade County District School Board - Florida Education Finance Program - Attestation Examination	07/17/2020
2021-038	Monroe County District School Board - Florida Education Finance Program - Attestation Examination	10/13/2020
2021-027	Nassau County District School Board - Florida Education Finance Program - Attestation Examination	09/24/2020

EXHIBIT B
Reports Issued During the Period
November 1, 2019, Through October 31, 2020

Report Number	Audited Entity and Report Title	Report Issue Date
Florida Education Finance Program – Continued		
2020-207	Orange County District School Board - Florida Education Finance Program - Attestation Examination	06/12/2020
2020-067	Osceola County District School Board - Florida Education Finance Program - Attestation Examination	12/04/2019
2021-037	P. K. Yonge Developmental Research School - Florida Education Finance Program - Attestation Examination	10/09/2020
2020-073	Polk County District School Board - Florida Education Finance Program - Attestation Examination	12/12/2019
2021-002	Seminole County District School Board - Florida Education Finance Program - Attestation Examination	07/13/2020
2021-036	Sumter County District School Board - Florida Education Finance Program - Attestation Examination	10/08/2020
2021-007	Taylor County District School Board - Florida Education Finance Program - Attestation Examination	08/06/2020
2020-070	Wakulla County District School Board - Florida Education Finance Program - Attestation Examination	12/06/2019
State Universities		
2020-150	Florida Agricultural and Mechanical University - Financial Audit	03/13/2020
2020-173	Florida Atlantic University - Financial Audit	03/25/2020
2020-183	Florida Gulf Coast University - Financial Audit	03/30/2020
2020-120	Florida Gulf Coast University - Operational Audit	02/14/2020
2020-181	Florida International University - Financial Audit	03/30/2020
2020-131	Florida Polytechnic University - Financial Audit	02/27/2020
2021-008	Florida Polytechnic University - Operational Audit	08/12/2020
2020-100	Florida State University - Financial Audit	01/21/2020
2020-054	Florida State University - Northwest Regional Data Center - Data Center Operations - Information Technology Operational Audit	11/14/2019
2020-071	New College of Florida - Financial Audit	12/11/2019
2021-009	New College of Florida - Operational Audit	08/19/2020
2020-136	University of Central Florida - Financial Audit	03/04/2020
2020-114	University of Florida - Financial Audit	02/11/2020
2020-135	University of Florida - Operational Audit	02/28/2020
2020-171	University of North Florida - Financial Audit	03/24/2020
2021-041	University of North Florida - Operational Audit	10/16/2020
2020-075	University of South Florida - Financial Audit	12/13/2019
2020-157	University of West Florida - Financial Audit	03/17/2020
2020-152	University of West Florida - Operational Audit	03/13/2020
State Colleges		
2020-123	Broward College - Financial Audit	02/19/2020
2020-168	Chipola College - Financial Audit	03/24/2020
2020-180	College of Central Florida - Financial Audit	03/27/2020
2020-140	Daytona State College - Financial Audit	03/06/2020
2020-185	Eastern Florida State College - Financial Audit	03/30/2020
2020-146	Florida Gateway College - Financial Audit	03/11/2020
2021-025	Florida Gateway College - Operational Audit	09/22/2020

EXHIBIT B
Reports Issued During the Period
November 1, 2019, Through October 31, 2020

Report Number	Audited Entity and Report Title	Report Issue Date
State Colleges - Continued		
2020-130	Florida SouthWestern State College - Ellucian Banner® Enterprise Resource Planning System - Information Technology Operational Audit	02/27/2020
2020-162	Florida SouthWestern State College - Financial Audit	03/19/2020
2020-184	Florida State College at Jacksonville - Financial Audit	03/30/2020
2020-085	Gulf Coast State College - Financial Audit	12/20/2019
2020-104	Hillsborough Community College - Financial Audit	01/23/2020
2020-179	Indian River State College - Financial Audit	03/27/2020
2020-169	Lake-Sumter State College - Financial Audit	03/24/2020
2020-165	Miami Dade College - Financial Audit	03/23/2020
2020-103	North Florida College - Financial Audit	01/22/2020
2021-024	North Florida College - Operational Audit	09/22/2020
2020-124	Northwest Florida State College - Financial Audit	02/21/2020
2020-105	Palm Beach State College - Financial Audit	01/24/2020
2020-164	Pasco-Hernando State College - Financial Audit	03/23/2020
2020-092	Pasco-Hernando State College - Operational Audit	01/08/2020
2020-143	Pensacola State College - Financial Audit	03/09/2020
2020-078	Polk State College - Financial Audit	12/16/2019
2020-126	Santa Fe College - Financial Audit	02/25/2020
2020-049	Santa Fe College - Operational Audit	11/06/2019
2020-109	Seminole State College of Florida - Financial Audit	02/03/2020
2020-127	South Florida State College - Financial Audit	02/25/2020
2020-048	South Florida State College - Operational Audit	11/01/2019
2020-139	St. Johns River State College - Financial Audit	03/06/2020
2020-096	St. Petersburg College - Financial Audit	01/13/2020
2021-033	State College of Florida, Manatee-Sarasota - Ellucian Banner® Enterprise Resource Planning System - Information Technology Operational Audit	10/05/2020
2020-112	State College of Florida, Manatee-Sarasota - Financial Audit	02/04/2020
2020-129	Tallahassee Community College - Financial Audit	02/26/2020
2020-188	The College of the Florida Keys - Financial Audit	03/31/2020
2020-182	Valencia College - Financial Audit	03/30/2020
Other Educational Entities and Programs		
2021-044	Administration of the Florida Bright Futures Scholarship Program by Florida's Public Universities and Colleges - Operational Audit	10/20/2020
2020-190	Miami Dade College Foundation - Operational Audit	04/01/2020
Other Audits and Accountability Activities		
2021-026	AAA Scholarship Foundation - FL, LLC - Operational Audit	09/22/2020
2020-122	Citrus County Board of County Commissioners - Detention Center Management Services Contract and Selected Administrative Activities Prior Audit Follow-Up - Operational Audit	02/19/2020
2021-030	City of Gulf Breeze - Tiger Point Golf Club Acquisition and Management and Other Activities - Operational Audit	09/30/2020

EXHIBIT B

Reports Issued During the Period November 1, 2019, Through October 31, 2020

Report Number	Audited Entity and Report Title	Report Issue Date
Other Audits and Accountability Activities - Continued		
2020-069	City of Palm Bay - Operational Audit	12/05/2019
2020-128	Hillsborough County Aviation Authority - Tampa International Airport 2012 Master Plan Capital Projects, Prior Audit Follow-Up - Operational Audit	02/26/2020
2021-005	Review of District School Board, Charter School, and Charter Technical Career Center Audit Reports for the Fiscal Year Ended June 30, 2019, Pursuant to Section 11.45(7)(b), Florida Statutes	07/23/2020
2020-094	Review of Local Governmental Entity 2017-2018 Fiscal Year Audit Reports Pursuant to Section 11.45(7)(b), Florida Statutes	01/10/2020
2021-032	Review of Nonprofit, For-Profit, and Other Entities Financial Reporting Packages for Fiscal Years Ended October 1, 2018, Through September 30, 2019, Pursuant to Section 215.97(12)(f), Florida Statutes	10/02/2020
2021-019	Southwest Florida Water Management District - Operational Audit	09/10/2020
2020-195	Step Up For Students, Inc. - Operational Audit	04/22/2020
2021-048	Summary of Financial Indicators and Trends Identified in State University Audit Reports for the Fiscal Year Ended June 30, 2019	10/28/2020
2021-006	Summary of Significant Findings and Financial Trends Identified in Charter School and Charter Technical Career Center Audit Reports for the Fiscal Year Ended June 30, 2018, Pursuant to Section 11.45(7)(f), Florida Statutes	08/07/2020
2020-052	Summary of Significant Findings and Financial Trends Identified in District School Board Audit Reports for the Fiscal Year Ended June 30, 2018 Pursuant to Section 11.45(7)(f), Florida Statutes	11/08/2019
2021-021	Summary of Significant Findings and Financial Trends Identified in District School Board Audit Reports for the Fiscal Year Ended June 30, 2019, Pursuant to Section 11.45(7)(f), Florida Statutes	09/15/2020
2020-141	Summary of Significant Findings and Financial Trends Identified in Local Government Audit Reports for the 2017-18 Fiscal Year Pursuant to Section 11.45(7)(f), Florida Statutes	03/09/2020
2020-106	Suwannee River Water Management District - Operational Audit	01/27/2020
2021-016	Town of Caryville - Operational Audit	09/03/2020
2020-050	Walton County Board of County Commissioners, Clerk of the Circuit Court, and Use of Funds Related to the Deepwater Horizon Oil Spill, Prior Audit Follow-Up - Operational Audit	11/06/2019
2020-088	Department of Children and Families - Office of Inspector General's Internal Audit Activity - Quality Assessment Review	12/30/2019
2020-058	Fish and Wildlife Conservation Commission - Office of Inspector General's Internal Audit Activity - Quality Assessment Review	11/20/2019
2020-178	Florida Housing Finance Corporation - Office of Inspector General's Internal Audit Activity - Quality Assessment Review	03/27/2020

EXHIBIT C

Reports Issued or Scheduled to Be Issued Subsequent to October 31, 2020, and by March 31, 2021

State Government

Audit Entity	Scope/Areas of Operations
Agency for Health Care Administration	Selected Areas of Operation
Agency for Persons with Disabilities	Office of Inspector General's Internal Audit Activity
Department of Agriculture and Consumer Services	Administration of Mosquito Control Programs, Licensing, and Research, Selected Administrative Activities, and Prior Audit Follow-Up Department General Controls – Information Technology
Department of Business and Professional Regulation	Bureau of Elevator Safety, Selected Administrative Activities, and Prior Audit Follow-Up
Department of Children and Families	Selected Administrative Activities and Child Care Provider Regulation Prior Audit Follow-Up
Department of Citrus	Office of Inspector General's Internal Audit Activity
Department of Economic Opportunity	Reemployment Assistance Claims and Benefits Information System (CONNECT) – Information Technology Office of Inspector General's Internal Audit Activity
Department of Education	Office of Inspector General's Internal Audit Activity
Department of Financial Services	Florida Accounting Information Resource Subsystem and Selected General Controls – Information Technology Office of Inspector General's Internal Audit Activity
Department of Health	Office of Medical Marijuana Use Office of Inspector General's Internal Audit Activity
Department of Highway Safety and Motor Vehicles	Office of Inspector General's Internal Audit Activity
Department of Juvenile Justice	Office of Inspector General's Internal Audit Activity
Department of Law Enforcement	Office of Inspector General's Internal Audit Activity
Department of the Lottery	Financial Statements
Department of Management Services	Florida Retirement System – Financial Statements Florida Retirement System – Schedules of Employer Allocations and Schedules of Pension Amounts and Certain Activities Through September 30, 2020 Oversight and Administration of Private Correctional Facilities Contracts Selected Administrative Activities and Prior Audit Follow-Up
Department of Military Affairs	Educational Dollars for Duty and Prior Audit Follow-Up Office of Inspector General's Internal Audit Activity
Department of Revenue	Child Support Enforcement and Prior Audit Follow-Up Selected Value Adjustment Boards Office of Inspector General's Internal Audit Activity
Department of State	Voting System Standards and Certification, Voter Registration Records Maintenance, Selected Administrative Activities, and Prior Audit Follow-Up
Department of Transportation	Administration of the Aviation Grant Program, Commission for the Transportation Disadvantaged, and Prior Audit Follow-Up

EXHIBIT C

Reports Issued or Scheduled to Be Issued Subsequent to October 31, 2020, and by March 31, 2021

State Government – Continued

Audit Entity	Scope/Areas of Operations
Department of Veterans' Affairs	Oversight of Staff Time, Attendance, and Staffing at the State Veterans' Nursing Homes and Domiciliary and Prior Audit Follow-Up Office of Inspector General's Internal Audit Activity
Executive Office of the Governor	Selected Administrative Activities
Fish and Wildlife Conservation Commission	Administration of Invasive Plant Management Programs and Permitting
Florida Commission on Offender Review	Clemency and Conditional Medical Release
Florida School for the Deaf and the Blind	Financial Statements
Florida State University – Northwest Regional Data Center	Data Center Operations – Information Technology
Office of Early Learning	School Readiness and Related Delivery Systems
Public Service Commission	Office of Inspector General's Internal Audit Activity
Space Florida	Monitoring of Cooperative Agreements, Board Duties and Governance, and Selected Administrative Activities
State Board of Administration	Local Government Surplus Funds Trust Fund – Financial Statements Florida Retirement System Investment Plan and Selected Administrative Activities
State of Florida	Financial Statements and Federal Awards
Triumph Gulf Coast, Inc.	Selected Areas of Operation

Educational Entities

Audit Entity/Subject	Scope/Areas of Operations
Florida Education Finance Program - Selected District School Boards and Other Entities (13)	Compliance with Reporting Requirements
School Districts	Financial and Federal Awards (46) Financial (1) Selected Areas of Operations (11) Information Technology (2)
State Colleges	Financial (28) Selected Areas of Operations (7)
State Universities	Financial (12) Information Technology (2)

Other

Audit Entity/Subject	Scope/Areas of Operations
Citrus County Hospital Board	Selected Areas of Operations
City of Deerfield Beach	Selected Areas of Operations
City of Gainesville	Selected Areas of Operations

EXHIBIT C

**Reports Issued or Scheduled to Be Issued Subsequent to
October 31, 2020, and by March 31, 2021**

Other – Continued

Audit Entity/Subject	Scope/Areas of Operations
City of Melbourne and Community Redevelopment Agencies	Selected Areas of Operations
City of North Miami	Follow-Up on Report No. 2018-038
City of Starke	Follow-Up on Report No. 2019-003
East Flagler Mosquito Control District	Follow-Up on Report No. 2019-112
Florida Clerks of Court Operations Corporation	Selected Areas of Operations
Greater Orlando Aviation Authority	Selected Areas of Operations
Housing Authority of the City of Belle Glade	Selected Areas of Operations
Putnam County Board of County Commissioners, Clerk of the Circuit Court, and Sheriff's Office	Follow-Up on Report No. 2017-198
Local Governmental Entity Audit Reports	Results of Review of 2018-19 Fiscal Year Audit Reports - Pursuant to Section 11.45(7)(b), Florida Statutes
Local Governmental Entity Audit Reports and Annual Financial Reports	Significant Findings and Financial Trends Identified in 2018-19 Fiscal Year Audit Reports and Annual Financial Reports Reviewed Pursuant to Section 11.45(7)(f), Florida Statutes
South Florida Water Management District	Selected Areas of Operations
Step Up for Students, Inc.	Selected Areas of Operation

EXHIBIT D

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