

## Schedule of Expenditures of Federal Awards and State Financial Assistance

### Year ended September 30, 2018

Federal Agency	Federal CFDA Number	Contract Number	Expenditures	Program Totals	Expenditures to Subrecipients
Department of Housing & Urban Development					
Direct Assistance:					
Community Development Block Grants/Entitlement Grants	14.218	B-16-UC-12-0021	\$ 47,247		\$ 39,420
Community Development Block Grants/Entitlement Grants	14.218	B-17-UC-12-0021	384,103		308,581
Total CDBG - Entitlement Grants Cluster				\$ 431,350	
Continuum of Care Program	14.267	FL0637L4H121600	17,836		
Passed through Florida Department of Children and Families and Flagler Hospital:					
Emergency Solutions Grant Program	14.231	NP0004	15,000		
Department of Justice					
Passed through Florida Office of the Attorney General					
Victims of Crime Act - VOCA	16.575	VOCA-2018-St. Johns County Sheriff-00059	72,723		
Department of Transportation					
Passed through Florida Department of Transportation:					
Highway Planning and Construction Cluster	20.205	GOT66; 439470-1-38-02	1,049		
Total Highway Planning and Construction Cluster				1,049	
Direct Assistance:					
Federal Transit Formula Grants	20.507	FL-90-X852	24,639		184
Federal Transit Formula Grants	20.507	FL-90-X894	51,808		
Federal Transit Formula Grants	20.507	FL-2017-034-00	23,228		
Federal Transit Formula Grants	20.507	FL-6410-2017-2	621,592		499,259
Federal Transit Formula Grants	20.507	FL-2018-106-00	78,305		78,305
Passed through Florida Department of Transportation:					
Federal Transit Formula Grants	20.507	FL-2016-036-00	474,476		194,143
Bus and Bus Facilities Formula Program	20.526	G0024; 437585-1-94-17	194,524		
Total Federal Transit Cluster				1,468,572	
Election Assistance Commission					
Passed through the Florida Department of State, Division of Elections:					
Help America Vote Act	90.401	2016-2017-0001-SJC	16,561		
Help America Vote Act	90.401	2017-2018-0001-SJC	27,542		
Help America Vote Act	90.401	2018-2019-0001-SJC	127,324		
Help America Vote Act	90.401	2018-2019-0002-SJC	14,010		
Total Help America Vote Act				185,437	
Department of Health & Human Services					
Passed through the Florida Department of Revenue:					
Child Support Enforcement - Title IV-D	93.563	2016 Incentive	1,794		
Child Support Enforcement - Title IV-D	93.563	COC	116,939	118,733	
Passed Through Florida Department of Children & Families:					
Temporary Assistance for Needy Families	93.558	NJ206	395,202		
Total TANF Cluster				395,202	
Promoting Safe and Stable Families	93.556	NJ206	259,230		
Chafee Education and Training Vouchers Program	93.599	NJ206	11,773		
Stephanie Tubbs Jones Child Welfare Services	93.645	NJ206	153,606		
Foster Care-Title IV-E	93.658	NJ206	1,249,480		
Adoption Assistance	93.659	NJ206	945,517		
Social Services Block Grant	93.667	NJ206	218,233		
Child Abuse and Neglect State Grants	93.669	NJ206	9,941		
Chafee Foster Care Program for Successful Transition to Adulthood	93.674	NJ206	27,800		
Medical Assistance Program	93.778	NJ206	10,095		
Total Medicaid Cluster				10,095	

**Schedule of Expenditures of Federal Awards and State Financial Assistance  
Year ended September 30, 2018**

Executive Office of The President				
Office of National Drug Control & Policy				
Direct Assistance:				
High Intensity Drug Trafficking Areas Program	95.001	G16NF0001A/G17NF0001A/G 18NF0001A	3,095,861	
Department of Homeland Security				
Direct Assistance:				
Staffing for Adequate Fire and Emergency Response	97.083	EMW-2014-FH-00196	360,998	
Passed through Florida Division of Emergency Management:				
Disaster Grants - Public Assistance	97.036	17-PA-U5-04-65-02-125	13,321,646	
Disaster Grants - Public Assistance	97.036	Z0276	10,477,935	
Total Disaster Grants - Public Assistance				23,799,581
Emergency Management Performance Grants	97.042	18-FG-7A-04-05-01-122	84,676	
Emergency Management Performance Grants	97.042	19-FG-AF-04-65-01-068	24,476	
Total Emergency Management Performance Grants				109,152
Assistance to Firefighters Grant	97.044	EMW-2015-FO-05266	108,036	
Assistance to Firefighters Grant	97.044	EMW-2016-FP-00311	10,477	
Total Assistance to Firefighters Grant				118,513
Port Security Grant Program	97.056	EMW-2015-PU-00044-S01	172,500	
Homeland Security Grant Program	97.067	17-DS-V4-04-65-01-357	14,700	
Homeland Security Grant Program	97.067	EMW-2017-SS-00061-501	2,366	
Total Homeland Security Grant Program				17,066
Total expenditures of federal awards			<u>\$ 33,265,248</u>	<u>\$ 1,119,892</u>

**Schedule of Expenditures of Federal Awards and State Financial Assistance  
Year ended September 30, 2018**

State Agency	State CSFA Number	Contract Number	Expenditures	Program Totals	Expenditures to Subrecipients
Executive Office of the Governor					
Emergency Management Programs	31.063	18-BG-W9-04-05-01-124	\$ 105,799		
Emergency Management Programs	31.063	19-BG-21-04-65-01	26,747	\$ 132,546	
Department of Environmental Protection					
Beach Management Funding Assistance Program	37.003	16SJ2	275,850		
Beach Management Funding Assistance Program	37.003	17SJ2	1,193,689	1,469,539	
Sewer Improvements	37.066	28778	55,364		
Passed through Florida Department of Children and Families and Flagler Hospital:	37.077	WW550120	10,442,180		
Statewide Surface Water Restoration and Wastewater Projects	37.039	30339	322,245		
Department of Economic Opportunity:					
Division of Community Development	40.038	P0292	6,750		
Florida Housing Finance Corporation					
State Housing Initiative Partnership Program	40.901	2016-17	1,307,655		\$ 1,047,526
State Housing Initiative Partnership Program	40.901	2015-16	271,808	1,579,463	232,050
Department of State and Secretary of State					
State Aid to Libraries	45.030	18-ST-72	156,162		
Specific Cultural Projects	45.062	18.c.pr.180.283	25,000		
Department of Transportation					
County Incentive Grant Program	55.008	G0C97; 439278-1-54-01	250,000		
Public Transit Block Grant Program	55.010	418441-1-84-18	318,183		318,183
Public Transit Block Grant Program	55.010	418441-1-84-17	395,000		395,000
Public Transit Block Grant Program	55.010	418441-1-84-16	31,311	744,494	31,311
Florida Shared-use Nonmotorized (Sun) Trail Network Program	55.038	G0M37; 439932-1-14-01	2,318		
Department of Children and Families					
Homeless Grants in Aid	60.021	NP004	27,336		
Out-of-Home Supports	60.074	NJ206	170,704		
In-Home Supports	60.075	NJ206	15,559		
Independent Living and Road-to-Independence Program	60.112	NJ206	33,975		
CBC-Sexually Exploited Children	60.138	NJ206	29,153		
Extended Foster Care Program	60.141	NJ206	77,048		
CBC-Purchase of Therapeutic Services for Children	60.183	NJ206	15,875		
Department of Health					
County Grant Awards	64.005	C6058	23,306		
Total expenditures of state financial assistance			<u>\$ 15,579,017</u>		<u>\$ 2,024,070</u>

**Notes to Schedule of Expenditures of Federal Awards  
and State Financial Assistance**

**NOTE 1 – BASIS OF PRESENTATION**

The accompanying Schedule of Expenditures of Federal Awards and State Financial Assistance (the Schedule) includes the Federal and State award activity of St. Johns County, Florida for the year ended September 30, 2018. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and Chapter 10.550, Rules of the Auditor General. Because the Schedule presents only a selected portion of the operations of the County, it is not intended to and does not present the financial position, changes in net position, or cash flows of the County.

**NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Expenditures reported on the Schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized when they become a demand on current available financial resources. Expenditures on contracts dated before or on December 26, 2014 are recognized following the cost principles in OMB Circular A-133, and expenditures on all subsequent contracts are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

**NOTE 3– INDIRECT COST RATE**

The County did not elect to charge the 10% de minimis indirect cost rate or any other indirect cost rate to any federal or state programs.

**NOTE 4– SUBRECIPIENTS**

The County provided federal awards to subrecipients as follows:

<u>Federal Programs</u>	<u>Federal CFDA Number</u>	<u>Amount</u>
Community Development Block Grants/Entitlement Grants	14.218	\$ 348,001
Federal Transit Formula Grants	20.507	771,891
Total		\$ 1,119,892



**Notes to Schedule of Expenditures of Federal Awards  
and State Financial Assistance**

**NOTE 4– SUBRECIPIENTS (CONTINUED)**

The County provided state awards to subrecipients as follows:

<u>State Project</u>	<u>CSFA Number</u>	<u>Amount</u>
State Housing Initiative Partnership Program	40.901	\$ 1,279,576
Public Transit Block Grant Program	55.010	744,494
Total		\$ 2,024,070

**NOTE 5– FEMA EXPENDITURES**

Expenditures for CFDA No. 97.036, Disaster Grant – Public Assistance, include \$17,742,139 for Hurricane Matthew and expenditures of \$3,763,373 for Hurricane Irma that were incurred in the prior fiscal year that had not yet been obligated (approved) by the Federal Emergency Management Agency as of September 30, 2017.

**NOTE 6– OTHER**

The County does not participate in any loan or loan guarantee programs, nor did the County receive any non-cash federal or state assistance in fiscal year 2018.

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

The Honorable County Commissioners  
St. Johns County, Florida

**Report on Compliance for Each Major Federal Program and State Project**

We have audited St. Johns County, Florida's (the "County") compliance with the types of compliance requirements described in the *OMB Compliance Supplement* and the requirements described in the Department of Financial Services' State Projects Compliance Supplement that could have a direct and material effect on each of its major federal programs and state projects for the year ended ended September 30, 2018. The County's major federal programs and state projects are identified in the summary of auditors' results section of the accompanying Schedule of Findings and Questioned Costs.

***Management's Responsibility***

Management is responsible for compliance with the federal and state statutes, regulations, and the terms and conditions of its federal programs and state projects.

***Auditors' Responsibility***

Our responsibility is to express an opinion on compliance for each of the County's major federal programs and state projects based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), and Chapter 10.550, Rules of the Auditor General. Those standards, the Uniform Guidance, and Chapter 10.550, Rules of the Auditor General, require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program or state project occurred. An audit includes examining, on a test basis, evidence about the County's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program and state project. However, our audit does not provide a legal determination of the County's compliance.

### ***Opinion on Each Major Federal Program and State Project***

In our opinion, the County complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs and state projects for the year ended September 30, 2018.

### **Report on Internal Control Over Compliance**

Management of the County is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the County's internal control over compliance with the requirements that could have a direct and material effect on each major federal program and state project to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing our opinion on compliance for each major federal program and state project and to test and report on internal control over compliance in accordance with the Uniform Guidance and Chapter 10.550, Rules of the Auditor General, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over compliance.

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program or state project on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program or state project will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program or state project that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that were not identified.

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

## Report on Schedule of Expenditures of Federal Awards and State Financial Assistance

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate discretely presented component unit and remaining fund information of the County, as of and for the year ended September 30, 2018, and the related notes to the financial statements, which collectively comprise the County's basic financial statements. We issued our report thereon dated June 28, 2019, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards and state financial assistance is presented for purposes of additional analysis as required by the Uniform Guidance and Chapter 10.550, Rules of the Auditor General, and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards and state financial assistance is fairly stated in all material respects in relation to the basic financial statements as a whole.

*Cam, Riggs & Ingram, L.L.C.*

St. Augustine, Florida

June 28, 2019

**Schedule of Findings and Questioned Costs  
Year ended September 30, 2018**

**SECTION I – SUMMARY OF AUDITORS’ RESULTS**

- (i) The independent auditors’ report on the financial statements expressed unmodified opinions.
- (ii) The audit disclosed a significant deficiency in the internal control over financial reporting that was considered to be a material weakness.
- (iii) The audit did not disclose any noncompliance considered material to the financial statements.
- (iv) The audit did not report significant deficiencies or disclose material weaknesses in the internal control over the major federal programs and the major state projects.
- (v) The auditors’ report on compliance for the major federal award programs and major state projects expressed an unmodified opinion.
- (vi) The audit did not disclose findings relative to major federal programs or major state projects.
- (vii) The County’s major federal programs and state projects were:

<u>Federal Programs</u>	<u>Federal CFDA Number</u>
Foster Care Title IV-E	93.658
High Intensity Drug Trafficking Areas Program	95.001
Disaster Grants-Public Assistance	97.036

<u>State Projects</u>	<u>CSFA Number</u>
Beach Management Funding Assistance Program	37.003
Wastewater Treatment Facility Construction	37.077
Public Transit Block Grant Program	55.010

- (viii) A threshold of \$997,957 was used to distinguish between Type A and Type B programs for federal programs, and \$467,371 was used for state projects.
- (ix) The County did not qualify as a low-risk auditee as that term is defined in the Uniform Guidance.

**Schedule of Findings and Questioned Costs  
Year ended September 30, 2018**

**SECTION II – FINANCIAL STATEMENT FINDINGS**

**2018-001      Material Weakness in Maintaining Effective Internal Controls**

*Criteria* – The County and each individual Constitutional Officer is responsible for maintaining effective internal controls over financial transactions and reporting.

*Condition* – Several instances of internal control deficiencies were noted at the Sheriff's Office.

*Cause* – County governance, in fulfilling its responsibilities, includes overseeing the County's efforts to prevent fraud and effectively manage risks. In dealing with these issues, the need for oversight is critical. At the Sheriff's Office, internal control deficiencies were largely attributable, but not limited to management override of controls and a lack of segregation of duties.

*Effect* – Misappropriation of assets and the risk of misstatements of financial information is elevated.

*Recommendation* – Whenever possible, the County and each individual Constitutional Officer should provide oversight in its efforts to manage risks and prevent fraud within the County and each individual Constitutional Officer. Further, duties should be segregated so that no one employee has access to both physical assets and the related accounting records, or to all phases of a transaction.

*Views of responsible officials* – See County's response letter on page 253.

**SECTION III – FINDINGS AND QUESTIONED COSTS –  
FEDERAL PROGRAMS**

-None-

**SECTION IV – FINDINGS AND QUESTIONED COSTS –  
STATE PROJECTS**

-None-



**St. Johns County, Florida**

**Summary Schedule of Prior Audit Findings  
(Relative to Federal Programs and State Projects)  
Year ended September 30, 2018**

There were no audit findings contained in the 2017 audit report.

**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

The Honorable County Commissioners  
St. Johns County, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate discretely presented component unit and remaining fund information of St. Johns County, Florida (the "County"), as of and for the year ended September 30, 2018, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated June 28, 2019.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the County's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control. Accordingly, we do not express an opinion on the effectiveness of the County's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. 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 entity's financial statements will not be prevented, or detected and corrected on a timely basis. 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.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We identified a deficiency in internal control over financial reporting, as described in the accompanying schedule of findings and questioned costs as item 2018-001, that we consider to be a material weakness.



### ***Compliance and Other Matters***

As part of obtaining reasonable assurance about whether the County's financial statements are free of material misstatements, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

We also noted certain matters that we have reported in separately-issued reports for the County's constitutional officers.

### ***Purpose of this Report***

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Carr, Riggs & Ingram, L.L.C.*

St. Augustine, Florida

June 28, 2019

## INDEPENDENT ACCOUNTANTS' REPORT ON COMPLIANCE WITH SECTION 218.415, FLORIDA STATUTES

The Honorable County Commissioners  
St. Johns County, Florida

We have examined St. Johns County, Florida's (the "County") compliance with the requirements of Section 218.415, Florida Statutes, *Local Government Investment Policies*, during the year ended September 30, 2018. Management is responsible for the County's compliance with the specified requirements. Our responsibility is to express an opinion on the County's compliance with the specified requirements based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the County complied, in all material respects, with the specified requirements referenced above. An examination involves performing procedures to obtain evidence about whether the County complied with the specified requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material noncompliance, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

Our examination does not provide a legal determination on the County's compliance with specified requirements.

In our opinion, the County complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2018.

This report is intended solely for the information and use of management and the State of Florida Auditor General and is not intended to be and should not be used by anyone other than these specified parties.

*Carr, Riggs & Ingram, L.L.C.*

St. Augustine, Florida  
June 28, 2019

**INDEPENDENT ACCOUNTANTS' REPORT ON COMPLIANCE WITH SECTIONS 365.172(10) AND 365.173(2)(d), FLORIDA STATUTES**

The Honorable County Commissioners  
St. Johns County, Florida

We have examined St. Johns County, Florida's (the "County") compliance with the requirements of Section 365.172(10), Florida Statutes, *Authorized Expenditures of E911 Fee*, and Section 365.173(2)(d), Florida Statutes, *Distribution and Use of (E911) Funds*, during the year ended September 30, 2018. Management is responsible for the County's compliance with the specified requirements. Our responsibility is to express an opinion on the County's compliance with the specified requirements based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the County complied, in all material respects, with the specified requirements referenced above. An examination involves performing procedures to obtain evidence about whether the County complied with the specified requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material noncompliance, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

Our examination does not provide a legal determination on the County's compliance with specified requirements.

In our opinion, the County complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2018.

This report is intended solely for the information and use of management and the State of Florida Auditor General and is not intended to be and should not be used by anyone other than these specified parties.

*Carr, Riggs & Ingram, L.L.C.*

St. Augustine, Florida  
June 28, 2019

## MANAGEMENT LETTER

The Honorable County Commissioners  
St. Johns County, Florida

### Report on the Financial Statements

We have audited the financial statements of St. Johns County, Florida (the "County"), as of and for the fiscal year ended September 30, 2018, and have issued our report thereon dated June 28, 2019.

### Auditors' Responsibility

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

### Other Reporting Requirements

We have issued our Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*; Independent Auditors' Report on Compliance for Each Major Federal Program and State Project and Report on Internal Control over Compliance Required by the Uniform Guidance and Chapter 10.550, Rules of the Auditor General; and Report on the Schedule of Federal Awards and State Financial Assistance; Schedule of Findings and Questioned Costs; and Independent Accountants' Reports on examinations conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports and schedule, which are dated June 28, 2019, should be considered in conjunction with this management letter.

### Prior Audit Findings

Section 10.554(1)(i)1., Rules of the Auditor General, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding financial audit report. There were no findings and recommendations made in the preceding financial audit report.

### Financial Condition and Management

Sections 10.554(1)(i)5.a. and 10.556(7), Rules of the Auditor General, require us to apply appropriate procedures and communicate the results of our determination as to whether or not the County has met one or more of the conditions described in Section 218.503(1), Florida Statutes, and to identify the

specific condition(s) met. In connection with our audit, we determined that the County did not meet any of the conditions described in Section 218.503(1), Florida Statutes.

Pursuant to Sections 10.554(1)(i)5.b. and 10.556(8), Rules of the Auditor General, we applied financial condition assessment procedures for the County. It is management's responsibility to monitor the County's financial condition, and our financial condition assessment was based in part on representations made by management and review of financial information provided by same.

Section 10.554(1)(i)2., Rules of the Auditor General, requires that we communicate any recommendations to improve financial management. In connection with our audit, we did not have any such recommendations.

#### **Additional Matters**

Section 10.554(1)(i)3., Rules of the Auditor General, requires us to communicate noncompliance with provisions of contracts or grant agreements, or abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material but which warrants the attention of those charged with governance. In connection with our audit, we did not note any such findings.

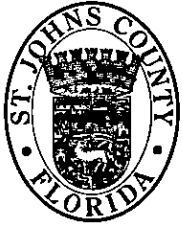
#### **Purpose of this Letter**

Our management letter is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, Federal and other granting agencies, the Board of County Commissioners of St. Johns County, Florida, and applicable management, and is not intended to be and should not be used by anyone other than these specified parties.

We wish to take this opportunity to thank you and your staff for the cooperation and courtesies extended to us during the course of the audit. Please let us know if you have any questions or comments concerning this letter, our accompanying reports, or other matters.

*Carri Riggs & Ingram, L.L.C.*

St. Augustine, Florida  
June 28, 2019



## St. Johns County Board of County Commissioners

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Office of the County Administrator  
Michael D. Wanchick, County Administrator

June 28, 2019

Sherrill F. Norman, CPA  
Florida Auditor General  
111 W Madison Street  
Tallahassee, FL 32399

Dear Ms. Norman:

We respectfully submit our response to audit finding 2018-001 from our independent auditors, Carr, Riggs and Ingram, LLC, which is included in this report for the fiscal year ended September 30, 2018.

The matter noted pertains to the St. Johns County Sheriff's Office. It should be noted that internal control deficiencies were identified by St. Johns County Sheriff's Office staff and actions were immediately taken by the St. Johns County Sheriff's Office to ensure those deficiencies were remedied. In addition, these events were communicated by the St. Johns County Sheriff's Office to the St. Johns County Board of County Commissioners and the St. Johns County Clerk of the Circuit Court and Comptroller. The St. Johns County Sheriff's Office has retained professional financial and legal assistance to investigate and complete a forensic audit to identify recommended procedures. Once identified, those recommended procedures will be implemented by the St. Johns County Sheriff's Office.

Sincerely,

A handwritten signature in black ink, appearing to read "Michael D. Wanchick", is written over a horizontal line.

Michael D. Wanchick  
County Administrator