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

The Honorable Board of County Commissioners  
Seminole County, Florida

We have audited the financial statements of Seminole County, Florida, as of and for the year ended September 30, 2004, and issued our report thereon dated March 30, 2005. We conducted our audit in accordance with 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.

***Internal Control Over Financial Reporting***

In planning and performing our audit, we considered Seminole County, Florida's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

***Compliance***

As part of obtaining reasonable assurance about whether Seminole County, Florida's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, grants and contracts, 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 that are required to be reported under *Government Auditing Standards*.

This report is intended solely for the information and use of the Board of County Commissioners, management, federal and state awarding agencies and the State of Florida Office of the Auditor General and is not intended to be and should not be used by anyone other than these specified parties.

*Harris, Cotherman, O'Keefe & Associates*

Winter Park, Florida  
March 30, 2005



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**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS  
APPLICABLE TO EACH MAJOR FEDERAL PROGRAM AND MAJOR STATE PROJECT  
AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB  
CIRCULAR A-133 AND THE EXECUTIVE OFFICE OF THE GOVERNOR'S STATE  
PROJECTS COMPLIANCE SUPPLEMENT**

The Honorable Board of County Commissioners  
Seminole County, Florida

**Compliance**

We have audited the compliance of Seminole County, Florida (the "County") with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement*, and the requirements described in the Executive Office of the Governor's State Projects Compliance Supplement, that are applicable to its major federal programs and major state projects for the year ended September 30, 2004. The County's major federal programs and major state projects are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to its major federal programs and major state projects is the responsibility of the County's management. Our responsibility is to express an opinion on the County's compliance based on our audit.

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; OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*; and Chapter 10.550, Rules of the Auditor General. Those standards, OMB Circular A-133 and Chapter 10.550 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 major 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. Our audit does not provide a legal determination on the County's compliance with those requirements.

As described in items 04-1 through 04-04, and the schedule of prior year findings section in the accompanying schedule of findings and questioned costs, the County did not comply with requirements regarding reporting that are applicable to its major state projects for Emergency Management Programs, State Housing Initiatives Partnership Program, and County Incentive Grant Program. There were no findings in the current year for the County's major federal programs and prior findings were properly addressed.

In our opinion, the County complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs and major state projects for the year ended September 30, 2004.



### ***Internal Control Over Compliance***

The management of the County is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs and state projects. In planning and performing our audit, we considered the Seminole County, Florida's internal control over compliance with requirements that could have a direct and material effect on a major federal program or state project in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133 and Chapter 10.550, Rules of the Auditor General.

We noted certain matters involving the internal control over compliance and its operation that we consider to be reportable conditions. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over compliance that, in our judgment, could adversely affect the County's ability to administer a major federal program or state project in accordance with the applicable requirements of laws, regulations, contracts, and grants. Reportable conditions are described in the accompanying schedule of findings and questioned costs as items 04-01 through 04-04.

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts and grants that would be material in relation to a major federal program or state project being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over compliance and its operation that we consider to be material weaknesses.

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

We have audited the compliance of Seminole County, Florida (the "County") with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement, and the requirements described in the Executive Office of the Governor's State Projects Compliance Supplement, that are applicable to major federal programs and state projects for the year ended September 30, 2004 as indicated above. The accompanying schedule of expenditures of federal awards and state financial assistance is presented for purposes of additional analysis as required by OMB Circular A-133 and Chapter 10.550, Rules of the Auditor General, and is not a required part of the financial statements. Such information has been subjected to auditing procedures, as considered necessary and, in our opinion, is fairly stated, in all material respects, in relation to the financial statements taken as a whole.

This report is intended solely for the information and use of the Board of County Commissioners, management, and specific legislative or regulatory bodies and is not intended to be and should not be used by anyone other than these specified parties.

*Harris, Cotherman, O'Keefe & Associates*

Winter Park, Florida  
March 30, 2005

**SEMINOLE COUNTY, FLORIDA**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**AND STATE FINANCIAL ASSISTANCE**  
Fiscal Year Ended September 30, 2004

| <u>Grantor/Pass-through Grantor/Program</u>                    | <u>CFDA #</u> | <u>Identification Number</u> | <u>Federal Expenditures</u> |
|--|---------------|------------------------------|-----------------------------|
| <u>U.S. Department of Homeland Security</u>                    |               |                              |                             |
| Passed through Florida Department of Community Affairs:        |               |                              |                             |
| Public Assistance Grants-County                                | 97.036        | 05-PA-C5-06-69-02-686        | \$ 14,065,790               |
| <u>U.S. Department of Commerce</u>                             |               |                              |                             |
| NOAA Coastal Impact Assistance Award                           | 11.419        | NA170Z 2136                  | 1,378                       |
| <u>U.S. Department of Environmental Protection Agency</u>      |               |                              |                             |
| Environmental Protection Consolidated Research Grant           | 66.500        | R-82932001                   | 51,005                      |
| <u>U.S. Department of Health and Human Services</u>            |               |                              |                             |
| Passed through Florida Department of Community Affairs:        |               |                              |                             |
| Community Services Block Grant                                 | 93.569        | 04SB-3T-06-69-01-029         | 236,094                     |
| Passed through Florida Department of Children and Families:    |               |                              |                             |
| Temporary Assistance for Needy Families                        | 93.558        | GJZ11                        | 326,410                     |
| <b>(See NOTE 1 Below)</b>                                      | 93.558        | 2004-2                       | 1,162,545                   |
|  | 93.667        | GJZ11                        | 46,578                      |
|  |               |                              | 1,535,533                   |
| <u>U.S. Department of Housing &amp; Urban Development</u>      |               |                              |                             |
| Community Development Block Grant                              | 14.218        | B-03-UC-12-0010              | 2,282,162                   |
| Emergency Shelter Grant  | 14.231        | S-03-UC-12-0020              | 92,399                      |
| HOME Investment Partnership Program                            |               |                              |                             |
|  | 14.239        | M-00-DC-12-0223              | 77,911                      |
|  | 14.239        | M-01-DC-12-0223              | 6,830                       |
|  | 14.239        | M-02-DC-12-0223              | 507,906                     |
|  | 14.239        | M-03-DC-12-0223              | 258,619                     |
|  | 14.239        | M-04-DC-12-0223              | 312,366                     |
|  |               |                              | 1,163,632                   |
| <u>US Department of Justice</u>                                |               |                              |                             |
| Federal Equitable Sharing                                      | 16.000        | n/a                          | 88,197                      |
| HIDTA - High Intensity Drug Traffic Area                       | 16.001        | 14PCFP508Z                   | 1,472,235                   |
| State Criminal Alien Assistance Program                        | 16.606        | 2004-AP-BX-0518              | 132,497                     |
| Public Safety Partnership Grants-COPS                          |               |                              |                             |
| Public Safety Partnership Grants- Universal Hiring             | 16.710        | 95-CC-WX-0175                | 199,563                     |
|  | 16.710        | 2003ULWX0006                 | 121,542                     |
|  |               |                              | 321,105                     |
| Law Enforcement Block Grant                                    |               |                              |                             |
| Executive Office for Weed & Seed                               | 16.592        | 2003-LB-BX-2105              | 130,573                     |
| Drug Court Discretionary Grant                                 | 16.595        | 2002-WS-QX-0089              | 195,850                     |
|  | 16.585        | 2002-DC-BX-0077              | 134,721                     |
| Passed through the Florida Office of the Attorney General:     |               |                              |                             |
| Crime Victim Assistance  | 16.575        | V3127                        | 73,829                      |
| Passed through the Florida Department of Law Enforcement:      |               |                              |                             |
| Byrne Grant-Child Abuse Victim Asst Tracking Sys IV            | 16.579        | 04-CJ-J3-06-69-01-236        | 24,000                      |
| Byrne Grant-In Car Cameras                                     | 16.579        | 04-CJ-J3-06-69-01-234        | 18,963                      |
| Byrne Grant-Computer Crime Investigations III                  | 16.579        | 04-CJ-J3-06-69-01-238        | 55,050                      |
| Byrne Grant -Seminole County Electronic Monitoring I           | 16.579        | 04-CJ-J3-06-69-01-237        | 39,000                      |
| Byrne Grant -Seminole County Career Criminal Investigations II | 16.579        | 04-CJ-J3-06-69-01-239        | 59,970                      |
| Byrne Grant -Early Resolution Case Management I                | 16.579        | 04-CJ-J3-06-69-01-248        | 8,030                       |
| Byrne Grant-Elder Services Grant                               | 16.579        | 04-CJ-J3-06-69-01-235        | 87,825                      |
|  |               |                              | 292,838                     |
| Residential Substance Abuse Treatment for State Prisoners      |               |                              |                             |
| Residential Substance Abuse Treatment for State Prisoners      | 16.593        | 04-CJ-7J-06-69-01-012        | 36,380                      |
| Residential Substance Abuse Treatment for State Prisoners      | 16.593        | 03-CJ-2J-06-69-01-011        | 96,908                      |
|  |               |                              | 133,288                     |

**SEMINOLE COUNTY, FLORIDA**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**AND STATE FINANCIAL ASSISTANCE**  
Fiscal Year Ended September 30, 2004

| <u>Grantor/Pass-through Grantor/Program</u>  | <u>CFDA #</u> | <u>Identification Number</u> | <u>Federal Expenditures</u> |
|--|---------------|------------------------------|-----------------------------|
| <u>U.S. Department of State</u>  |               |                              |                             |
| Passed through Florida Department of State:  |               |                              |                             |
| Voter Education Funds  | 39.011        | n/a                          | 40,365                      |
| <u>U.S. Department of Treasury</u>   |               |                              |                             |
| Gang Resistance Education & Training   | 21.053        | ATC03000251                  | 31,702                      |
| Federal Equity Sharing   | 21.000        | n/a                          | 9,418                       |
| <u>U.S. Department of Transportation</u>   |               |                              |                             |
| Passed through the Florida Department of Transportation:                           |               |                              |                             |
| Cross Seminole Trail Bridge (SR434)  | 20.205        | 404417-1-58-01/02 (AI449)    | 957,554                     |
| Edgemon Avenue Traffic Signal  | 20.205        | 411207-1-A8-01 (AM964)       | 175,921                     |
| Markham Woods Trailhead  | 20.205        | 242031-1-58-02 (AN970)       | 418,503                     |
| SR 434 Access Management and Resurfacing   | 20.205        | ANE06                        | 58,770                      |
| Emergency Relief Grant   | 20.205        | ANV65                        | 1,459,334                   |
|  |               |                              | 3,070,082                   |
| Safety Incentives to Prevent Operation of Motor Vehicles<br>by Intoxicated Persons | 20.605        | FS-04-27-18 (AND50)          | 83,062                      |
| <u>Federal Emergency Management Agency</u>   |               |                              |                             |
| Passed through the Florida Department of Community Affairs:                        |               |                              |                             |
| Flood Mitigation Assistance Program  | 83.536        | 03FM-52-06-69-01-088         | 35,279                      |
| Fire Operations and Firefighter Safety   | 83.554        | EMW-2003-FG-12451            | 89,740                      |
| CERT - Community Emergency Response Team   | 83.565        | 04-CI-1L-06-69-10-241        | 12,576                      |
| Terrorism Annex/Coop Agreement   | 83.562        | 03-FT-1B-06-69-01-362        | 74,366                      |
| Emergency Management Performance Grant   | 83.552        | 04BG-04-06-69-01-059         | 33,568                      |
| <u>U.S. Department of Health and Human Services</u>                                |               |                              |                             |
| Passed through the Florida Department of Revenue:                                  |               |                              |                             |
| Child Support Enforcement Title IV - D   | 93.563        | QJ317                        | 521,753                     |
| <b>TOTAL EXPENDITURES OF FEDERAL AWARDS</b>  |               |                              | <b>\$ 26,405,037</b>        |

**NOTE 1**

This program was supplemented with state funding from the Florida Department of Children and Families under CSFA # 60.012. The contracts and related expenditures tested in conjunction with the federal program are as follows:

|       |              |
|-------|--------------|
| GJZ31 | \$ 284,683   |
| GJZ10 | 2,128,158    |
| GJZ11 | 239,874      |
|       | \$ 3,071,066 |

**NOTE 2**

This schedule was prepared in accordance with accounting principles generally accepted in the United States of America. Expenditures are recognized on the modified accrual basis of accounting for governmental funds and the full accrual basis of accounting for proprietary funds.

**SEMINOLE COUNTY, FLORIDA**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**AND STATE FINANCIAL ASSISTANCE**  
Fiscal Year Ended September 30, 2004

| <u>STATE FINANCIAL ASSISTANCE</u>                                     | <u>CSFA #</u> | <u>Identification Number</u> | <u>State Expenditures</u>  |
|---|---------------|------------------------------|----------------------------|
| <u>Florida Department of Community Affairs</u>                        |               |                              |                            |
| Emergency Management Programs:  |               |                              |                            |
| Hazardous Materials Analysis  | 52.023        | 04CP-11-06-69-01-054         | 8,520                      |
| Hazardous Materials Analysis  | 52.023        | 05CP-11-06-69-01-000         | 1,286                      |
|   |               |                              | <u>9,806</u>               |
| Performance Grant   | 52.008        | 04BG-04-06-69-01-059         | 85,595                     |
| <u>Florida Department of Environmental Protection</u>                 |               |                              |                            |
| Waste Tire & Playground Surfacing Grant                               | 37.015        | WT432                        | 29,456                     |
| End-of-Life Electronics Management Grant                              | 37.031        | S0062                        | 33,272                     |
| Petroleum Contamination Site Cleanup:                                 |               |                              |                            |
| Petroleum Cleanup   | 37.024        | GC634 Task 3                 | 389,800                    |
| Petroleum Cleanup   | 37.024        | GC634 Task 4                 | 70,036                     |
|   |               |                              | <u>459,836</u>             |
| <u>Florida Housing Finance Corporation</u>                            |               |                              |                            |
| State Housing Initiatives Partnership Program                         | 52.901        | FY 2002-2004                 | 2,327,254                  |
| <u>Florida Department of Children and Families</u>                    |               |                              |                            |
| Child Dependency Grant  | 21.001        | n/a                          | 9,484                      |
| <u>Florida Department of Health</u>                                   |               |                              |                            |
| Emergency Medical Services Matching Awards:                           |               |                              |                            |
| EMS - CO2 Detection Equipment   | 64.003        | M4009                        | 60,188                     |
| County Grant Awards: Emergency Medical Service                        | 64.005        | C3057                        | 106,278                    |
| <u>Florida Department of Juvenile Justice</u>                         |               |                              |                            |
| Invest in Children Grant Program:                                     |               |                              |                            |
| Seminole Collaborative Youth Initiative                               | 80.001        | DP-181                       | 104,718                    |
| Conditional Release Services  | 80.018        | S4J02                        | 610,080                    |
| Juvenile Assessment Centers   | 80.020        | S5J02                        | 207,000                    |
| <u>Florida Department of Law Enforcement</u>                          |               |                              |                            |
| Drug Control Money Laundering Investigations                          | 71.005        | 2002-11533                   | 4,911                      |
| <u>Florida Department of State</u>                                    |               |                              |                            |
| Library Services & Technology Act - Reading Partnership Pilot Program |               |                              |                            |
| State Aid to Libraries  | 45.030        | 03-LSTA-C-06-0               | 7,500                      |
| State Aid to Libraries  | 45.030        | 04-ST-67                     | 333,019                    |
|   |               |                              | <u>340,519</u>             |
| <u>Florida Department of Transportation</u>                           |               |                              |                            |
| County Incentive Grant Program:                                       |               |                              |                            |
| East Lake Mary Blvd. Phase 2  | 55.008        | 410522-1-54-01 (AK818)       | 150,089                    |
| East Lake Mary Blvd. Phase 3  | 55.008        | 410520-1-54-01 (AJ766)       | 1,861,169                  |
|   |               |                              | <u>2,011,258</u>           |
| <b>TOTAL EXPENDITURES OF STATE FINANCIAL ASSISTANCE</b>               |               |                              | <b>\$ <u>6,399,655</u></b> |

**SEMINOLE COUNTY, FLORIDA**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
For the Year Ended September 30,2004

**Section I - Summary of Auditor's Results**

**Financial Statements**

Type of auditor's report issued: **Unqualified**

Internal control over financial reporting:

|   |   |           |                              |
|---|---|-----------|------------------------------|
| * | Material weakness(es) identified?   | _____ Yes | _____ <u>X</u> No            |
| * | Reportable condition(s) identified that are not considered to be material weaknesses? | _____ Yes | _____ <u>X</u> None reported |

Noncompliance material to financial statements noted. \_\_\_\_\_ Yes \_\_\_\_\_ X No

**Federal Awards and State Financial Assistance**

Internal control over major federal programs and state projects:

|   |   |                    |                     |
|---|---|--------------------|---------------------|
| * | Material weakness(es) identified?   | _____ Yes          | _____ <u>X</u> No   |
| * | Reportable condition(s) identified that are not considered to be material weaknesses? | _____ <u>X</u> Yes | _____ None reported |

Type of auditor's report issued on compliance for major federal programs and state projects: **Unqualified**

Any audit findings disclosed that are required to be reported in accordance with the Rules of the Auditor General? \_\_\_\_\_ X Yes \_\_\_\_\_ No

Identification of major federal and state programs:

**CFDA Number**

14.218  
14.239  
97.036

**Name of Federal Program**

Community Development Block Grant  
HOME Investment Partnership Program  
Public Assistance Grants

**CSFA Number**

52.901  
45.030

**Name of State Program**

State Housing Initiatives Partnership Program  
State Aid to Libraries

Dollar threshold used to distinguish between type A and type B Programs:

|         |            |
|---------|------------|
| Federal | \$ 792,151 |
| State   | \$ 300,000 |

Auditee qualifies as low-risk auditee: \_\_\_\_\_ X Yes \_\_\_\_\_ No

**Section II - Financial Statement Findings**

None

**Section III - Findings and Questioned Costs - Major Federal and State Award Programs**

Federal: None

**Section III - Findings and Questioned Costs - Major Federal and State Award Programs - Continued**

State:

**04-01**

DEPARTMENT OF COMMUNITY AFFAIRS

Emergency Management Programs

CSFA: 52.008

Grant Number: 04BG-04-06-69-01-059

*Condition:*

The underlying applicable accounting records do not support the reported amounts.

*Criteria:*

In order to insure the completeness and accuracy of the financial reports, the underlying data should be reconciled to the reports submitted.

*Recommendation :*

Policies and procedures should be established to provide guidance on the linkage of the underlying accounting data to the financial reports.

*Grantee Response:*

Policies and procedures will be implemented to ensure costs reported to the grantor agency are in agreement with the County's financial records.

**04-02**

FLORIDA HOUSING FINANCE CORPORATION

State Housing Initiatives Partnership Program

CSFA: 52.901

Grant Number: 2001-2002

Questioned Costs: \$265,507

*Condition:*

Underlying applicable accounting records do not support the reported amounts.

*Criteria:*

In order to insure the completeness and accuracy of the financial reports, the underlying data should be reconciled to the reports submitted.

*Recommendation :*

Policies and procedures should be established to provide guidance on the linkage of the underlying accounting data to the financial reports.

*Grantee Response:*

Reconciliation procedures have already been implemented to address this finding.

**04-03**

FLORIDA DEPARTMENT OF TRANSPORTATION

County Incentive Grant Program

CSFA: 55.008

Grant Number: AJ766

*Condition:*

Submission of drawdown requests were not submitted in a timely fashion. Often requests were several months after the period in which the expenditures were incurred.

*Criteria:*

Drawdowns should be submitted in a timely fashion to expunge any time lapse between drawdown of funds and actual disbursements.

*Recommendation :*

Policies and procedures should be established to provide guidance for periodic independent evaluation of cash management activities.

*Grantee Response:*

Policies and procedures will be implemented to ensure timeliness of drawdown requests to facilitate cash management objectives.

**04-04**

FLORIDA DEPARTMENT OF TRANSPORTATION

County Incentive Grant Program

CSFA: 55.008

Grant Number: AJ766

*Condition:*

Monthly invoices and quarterly reporting is required by the grant agreement. Invoices were not prepared on a monthly basis and the preparations of these (cut-off period) does not facilitate quarterly filing of progress reports.

*Criteria:*

Invoices should be prepared that include cumulative expenditures from the first period end.

*Recommendation :*

Invoices should be submitted monthly with clean cut-off dates of each of the month through the last day of the month for which they are submitted.

*Grantee Response:*

Procedures will be implemented to ensure timely preparation of invoices with precise cut-offs observed at each month end.



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## **INDEPENDENT AUDITOR'S MANAGEMENT LETTER**

The Honorable Board of County Commissioners  
Seminole County, Florida

We have audited the financial statements of Seminole County, Florida, as of and for the fiscal year ended September 30, 2004, and have issued our report thereon dated March 30, 2005.

We conducted our audit in accordance with auditing standards generally accepted in the United States and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. We have issued our report on compliance and internal control over financial reporting, which is dated March 30, 2005, and should be considered in conjunction with this management letter.

The Rules of the Auditor General (Section 10.554(1) (h) 1.) require that we address in the management letter, if not already addressed in the auditor's reports on compliance and internal controls or schedule of findings and questioned costs, whether or not corrective actions have been taken to address significant findings and recommendations made in the preceding annual financial audit report. The finding made in the preceding annual financial audit report was resolved to our satisfaction.

As required by the Rules of the Auditor General (Section 10.554(1) (h) 2.), the scope of our audit included a review of the provisions of Section 218.415, Florida Statutes, regarding the investment of public funds. In connection with our audit, we determined that Seminole County, Florida complied with Section 218.415, Florida Statutes.

The Rules of the Auditor General (Section 10.554(1)(h) 4.) require disclosure in the management letter of the following matters if not already addressed in the auditor's reports on compliance and internal controls or schedule of findings and questioned costs: (1) violations of laws, rules, regulations, and contractual provisions that have occurred, or are likely to have occurred; (2) improper or illegal expenditures; (3) improper or inadequate accounting procedures (e.g., the omission of required disclosures from the financial statements); (4) failures to properly record financial transactions; and (5) other inaccuracies, shortages, defalcations, and instances of fraud discovered by, or that come to the attention of, the auditor. Our audit disclosed no such matters.

As required by the Rules of the Auditor General (Section 10.554(1) (h) 6.a.), the scope of our audit included a review of the provisions of Section 218.503(1), Florida Statutes, regarding financial emergencies. None of the conditions described in Section 218.503(1), Florida Statutes were met during the year ended September 30, 2004.

As required by the Rules of the Auditor General (Sections 10.554(1) (h) 6.c. and 10.556), we applied financial condition assessment procedures. It is management's responsibility to monitor the entity's financial condition, and our financial condition assessment was based in part on representations made by management and the review of financial information provided by the same.



**Harris, Cotherman,  
O'Keefe & Associates**

Certified Public Accountants

The Rules of the Auditor General (Section 10.554(1) (h) 6.b.), require that we determine that the annual financial report for Seminole County, Florida for the fiscal year ended September 30, 2004, filed with the Department of Financial Services pursuant to Section 218.32, Florida Statutes, is in agreement with the annual financial audit report for the fiscal year ended September 30, 2004. Due to circumstances beyond the County's control, the annual financial report was not completed before issuing this report. Once the report has been completed, we will review the report and compare it to annual financial audit report for the fiscal year ended September 30, 2004.

This management letter is intended solely for the information of the Board of County Commissioners, management, federal and state awarding agencies and the State of Florida Office of the Auditor General and is not intended to be and should not be used by anyone other than these specified parties.

*Harris, Cotherman, O'Keefe & Associates*

Winter Park, Florida  
March 30, 2005