

**SUWANNEE RIVER
WATER MANAGEMENT DISTRICT**

**FOLLOW-UP REPORT ON
DISTRICT CORRECTIVE ACTIONS
REGARDING
AUDITOR GENERAL AUDIT REPORT NO. 2023-047**

REPORT #23-02

March 23, 2023

TABLE OF CONTENTS

Transmittal Letter	1
Internal Auditor's Report	
Background	2
Objectives, Scope, and Methodology	2
Summary of Results	3
Appendix A – Schedule of District Corrective Actions	4



Law, Redd, Crona & Munroe, P.A.
Certified Public Accountants

March 23, 2023

Governing Board
Suwannee River Water Management District
9225 CR 49
Live Oak, Florida 32060

Pursuant to Section 20.055(6)(h), Florida Statutes, as the District's Inspector General we are reporting on the status of the Suwannee River Water Management District corrective actions taken on the finding and recommendation in the Auditor General's Operational Audit Report No. 2023-047, dated November 2022. A copy of this report will also be filed with the Joint Legislative Auditing Committee.

If you have any questions regarding this report, please contact Richard Law, C.P.A. or Jon Ingram, C.P.A.

Sincerely,

Law Redd Crona & Munroe P.A.

LAW, REDD, CRONA & MUNROE, P.A.

SUWANNEE RIVER WATER MANAGEMENT DISTRICT
FOLLOW-UP ON AG REPORT NO. 2023-047
March 23, 2023

BACKGROUND

In November 2022, the Auditor General released Audit Report No. 2023-047, Operational Audit of the Suwannee River Water Management District (District). This report focused on selected District processes and administrative activities and contained one finding and recommendation for improvement.

Pursuant to Section 20.055(6)(h), Florida Statutes, the District's Inspector General is required to report to the Governing Board on the status of corrective actions taken on the Auditor General's report.

OBJECTIVES, SCOPE, AND METHODOLOGY

The objective of this follow-up engagement was to determine the status of corrective action taken by the District to address the finding and recommendation in Auditor General Report No. 2023-047.

The scope of our follow-up activities focused on District actions taken to address the finding and recommendation made by the Auditor General regarding the District's Agricultural Cost-Share Program.

To achieve our audit objectives, we conducted the following procedures:

- 1) Examined Auditor General Report No. 2023-047, dated November 2022, to ascertain the finding, recommendation, and original District management response thereto.
- 2) Made inquiries of and obtained representations from District management regarding the current status of corrective actions taken to address the Auditor General's finding and recommendation.
- 3) Examined District policies, the most recent Governing Board directive for the Agricultural Cost-Share Program, selected documentation from District files for all Agricultural Cost-Share agreements entered into by the District since October 1, 2022, and other documentation relating to management corrective actions.

SUMMARY OF RESULTS

For this follow-up audit, we concluded that District management has corrected the finding and recommendation in the Auditor General’s report. Please see Appendix A of this report for a schedule of the current status reported by management regarding the Auditor General’s finding and recommendation.

We wish to take this opportunity to thank District staff for their assistance and cooperation in the conduct of our audit. If there are any questions regarding this report, please feel free to contact Richard Law, C.P.A., or Jon Ingram, C.P.A.

Law Redd Crona & Munroe P.A.

LAW, REDD, CRONA & MUNROE, P.A.

Appendix A	
Schedule of District Corrective Action for Auditor General Report No. 2023-047	
March 2023	
Finding 1: Agricultural Cost-Share Program	
AG Finding Summary	District records did not always demonstrate compliance with Board directives and District procedures governing the use of agricultural cost-share funds.
AG Recommendation	The District should continue efforts to ensure that Program project applications are maintained and all eligibility requirements are met prior to disbursement of Program funds. The District should also enhance Program administration to include verification that Program project recipients did not receive cost-share project funding from both the District and any other agency cost-share program for the same projects and documented consideration of potential conflicts of interest.
Original District Response	As discussed during the audit visit, District staff have made significant modifications to the processing of applications and have implemented a checklist to ensure elements required in the Directive and associated procedures are checked, verified, and retained. District staff has engaged with the Governing Board regarding the agricultural cost-share program and will be updating the Directive to clarify the intended workflow for processing cost-share. We have reviewed the finding and recommendation and are continuing to improve the processing of applications to ensure that the changes implemented address the audit findings.
Status per Management as of March 2023	The Governing Board Directive for the Agricultural Cost-Share Program was updated with program eligibility and approval workflow clarifications on December 13, 2022. The checklist referenced in our response to the Auditor General’s finding is being used to guide reviewers in evaluating whether cost-share program applicants meet all eligibility requirements, including those listed in the Auditor General’s finding. As such, the Auditor General’s finding has been corrected.