

**SINGLE AUDIT REPORT**  
**SANTA ROSA COUNTY, FLORIDA**  
**SEPTEMBER 30, 2005**

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**TABLE OF CONTENTS**

	<b><u>Page</u></b>
<b>INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR PROGRAM AND INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133 AND CHAPTER 10.550, RULES OF THE AUDITOR GENERAL</b>	2
<b>SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE</b>	4
<b>NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE</b>	7
<b>SCHEDULE OF FINDINGS AND QUESTIONED COSTS</b>	8



**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS  
APPLICABLE TO EACH MAJOR PROGRAM AND INTERNAL CONTROL OVER  
COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133 AND CHAPTER  
10.550, RULES OF THE AUDITOR GENERAL**

Honorable Board of County Commissioners  
Honorable Mary M. Johnson, Clerk and Accountant to the  
Board of County Commissioners  
Santa Rosa County, Florida

Compliance

We have audited the compliance of the Board of County Commissioners of Santa Rosa County, Florida (hereinafter referred to as 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 each of its major federal programs and state projects for the year ended September 30, 2005. The County's major federal programs and 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 each of its major federal programs and 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, 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. Our audit does not provide a legal determination of the County's compliance with those requirements.

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 state projects for the year ended September 30, 2005.

#### 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 County's internal control over compliance with requirements that could have a direct and material effect on a major federal program or state project 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.

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 reportable 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 caused by error or fraud 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 financial statements of each major fund and the aggregate remaining fund information of the Board of County Commissioners of Santa Rosa County, Florida, as of and for the year ended September 30, 2005, and have issued our report thereon dated January 27, 2006. Our audit was performed for the purpose of forming an opinion on the basic financial statements taken as whole. 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 basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the special purpose financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the special purpose financial statements taken as a whole.

This report is intended solely for the information and use of the County, management, and appropriate federal and state awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

*O'Sullivan Greel, LLP*

January 27, 2006

**Santa Rosa County Florida**  
**Board of County Commissioners**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**AND STATE FINANCIAL ASSISTANCE**  
**Year ended September 30, 2005**

<b>Federal and State Grantor/Pass-through Grantor/Program Title</b>	<b>CFDA/ CSFA Number</b>	<b>Contract / Grant Number</b>	<b>Expenditures</b>
<u>U.S. Department of Homeland Security</u>			
Passed Through Florida Dept. of Community Affairs			
Disaster Grants - Public Assistance	97.036	05-PA-G-01-67-01-541	\$ 38,752,441
Disaster Grants - Public Assistance	97.036	06-PA-G-01-67-01-502	15,907,093
Disaster Grants - Public Assistance	97.036	06-KT-B-01-67-01-506	86,254
Disaster Grants - Public Assistance	97.036	05-PA-G-01-67-00-553	607,592
Disaster Grants - Public Assistance	97.036	06-DN-G-01-67-23-582	458,634
			<u>55,812,014</u>
Pre-Disaster Mitigation	97.047	05-CJ-L2-01-67-23-114	13,604
State Domestic Preparedness Equipment Support Program	97.004	05-DS-2N-01-57-01-378	93,668
<u>U.S. Department of Housing and Urban Development</u>			
Passed Through Florida Dept. of Community Affairs			
Community Development Block Grants	14.228	05DB-15-01-67-01-H05	15,915
<u>U.S. Department of Justice</u>			
Direct Programs:			
COPS In Schools	16.710	2002-SH-WX-0055	126,939
COPS In Schools	16.710	2004-SH-WX-0118	105,434
COPS Universal Hiring	16.710	2003-UM-WX-0031	283,536
COPS Homeland Security Overtime Program	16.710	2003-OM-WX-0197	82,941
			<u>598,850</u>
Local Law Enforcement Block Grants Program	16.592	2004-LB-BX-0714	22,888
Local Law Enforcement Block Grants Program	16.592	2003-LB-BX-0287	702
			<u>23,590</u>
State Criminal Alien Assistance Program	16.606	N/A	11,730
Bulletproof Vest Partnership Program	16.607	N/A	2,727
Gang Resistance Education and Training	16.737	N/A	9,464
Passed Through Florida Office of the Attorney General			
Crime Victim Assistance	16.575	V4196	30,001
Passed Through Florida Dept. of Law Enforcement:			
Byrne Formula Grant Program	16.579	04-CJ-J3-01-67-01-172	4,886
Byrne Formula Grant Program	16.579	05-CJ-K3-01-67-01-220	98,387
			<u>103,273</u>
<u>U.S. Department of Health and Human Services</u>			
Passed Through Florida Dept. of Revenue			
Child Support Enforcement Program	93.563	T0257	35,105
Child Support Enforcement Program	93.563	CC357	61,933
			<u>97,038</u>

**Santa Rosa County Florida**  
**Board of County Commissioners**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**AND STATE FINANCIAL ASSISTANCE**  
**Year ended September 30, 2005**

<u>Federal and State Grantor/Pass-through Grantor/Program Title</u>	<u>CFDA/ CSFA Number</u>	<u>Contract / Grant Number</u>	<u>Expenditures</u>
Passed Through Florida Dept. of Elder Affairs/Northwest Florida Area Agency on Aging			
Medical Assistance Program	93.778	AS003-SR	33,879
Special Programs for the Aging Title IV and Title II Discretionary Projects	93.048	ADD05-5	64,271
<u>Elections Assistance Commission</u>			
Passed Through Florida Dept. of State			
Help America Vote Act Requirement Payments	90.401	N/A	180,615
<u>U.S. Department of Transportation</u>			
Passed Through Florida Dept. of Transportation			
Formula Grants for Other Than Urbanized Areas	20.509	AM 521	64,296
Alcohol Traffic Safety and Drunk Driving Prevention	20.601	J8-05-06-07	46,459
Safety Incentives to Prevent Operation of Motor Vehicles			
By Intoxicated Persons	20.605	FS-05-27-04	29,095
Highway Planning and Construction	20.205	AO879	2,974,945
Airport Improvement Program	20.106	3-12-0052-007-2003	75,561
<u>U.S. Department of Agriculture</u>			
Emergency Watershed Protection Program	10.UNKNOWN	N/A	1,449,272
<u>U.S. Department of Interior</u>			
Passed Through Florida Fish and Wildlife Commission			
Sport Fish Restoration Program	15.605	FWC-05022	25,000
<u>General Services Administration</u>			
Passed Through the Florida Department of State			
Election Reform Payments	39.011	N/A	27,127
<u>U.S. Department of Defense</u>			
Community Economic Adjustment Assistance	12.614	APO503-05-01	18,684
Total Federal Awards			<u>\$ 61,801,078</u>

**Santa Rosa County Florida**  
**Board of County Commissioners**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**AND STATE FINANCIAL ASSISTANCE**  
**Year ended September 30, 2005**

<b>Federal and State Grantor/Pass-through Grantor/Program Title</b>	<b>CFDA/ CSFA Number</b>	<b>Contract / Grant Number</b>	<b>Expenditures</b>
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<u>Florida Department of Environmental Protection</u>			
Beach Erosion Control Program	37.003	04SR1	\$ 49,924
Florida Recreation Development Assistance Program	37.017	F5202	3,562
Florida Recreation Development Assistance Program	37.017	M1202	37,947
			<hr/>
			41,509
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<u>Florida Department of Agriculture and Consumer Services</u>			
Mosquito Control	42.003	SA003	37,025
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<u>Florida Department of Community Affairs</u>			
Emergency Management Programs	52.008	05BG-04-01-67-01-230	102,959
Residential Construction Mitigation Program	52.016	05-RC-11-13-00-21-009	17,040
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<u>Florida Housing Finance Corporation</u>			
State Housing Initiative Partnership Program	52.901	HFC01	981,532
Hurricane Housing Recovery Program	52.902	67ER-05	29,351
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<u>Florida Department of Transportation</u>			
Aviation Development Grant	55.004	AK928	84,061
County Incentive Grant Program	55.008	AK229	210,418
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<u>Florida Department of Health</u>			
County Grant Award	64.005	C4055	37,427
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<u>Florida Department of Elder Affairs</u>			
Passed through Northwest Florida Area Agency on Aging			
Home Care for the Elderly	65.001	AZCH005-SR/AZCH006-SR/AM005-SR	2,657
Alzheimer's Respite Services	65.004	AZCH005-SR/AZCH006-SR/AM005-SR	3,588
Community Care for the Elderly	65.010	AZCH005-SR/AZCH006-SR/AM005-SR	27,447
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<u>Florida Department of Management Services</u>			
Wireless 911 Emergency Telephone System	72.001	N/A	150,537
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<u>Florida Fish and Wildlife Conservation Commission</u>			
Florida Boating Improvement Program	77.006	03069	99,464
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<u>Florida Department of State</u>			
State Aid to Libraries	45.030	E3370	340,878
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<u>Justice Administration Commission</u>			
Child Dependency	21.001	N/A	15,240
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<u>Florida Department of Law Enforcement</u>			
Drug Control/Money Laundering Investigations	71.005	PE-18-0087	22,904
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Total State Financial Assistance			<u>\$ 2,253,961</u>

**Santa Rosa County, Florida**  
**NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**AND STATE FINANCIAL ASSISTANCE**  
**For the year ended September 30, 2005**

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**NOTE A - SIGNIFICANT ACCOUNTING POLICIES**

The accompanying Schedule of Expenditures of Federal Awards and State Financial Assistance includes the federal and state grant activity of Santa Rosa County, Florida and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and Chapter 10.550, Rules of the Auditor General. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

**Santa Rosa County, Florida**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**For the year ended September 30, 2005**

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**A. SUMMARY OF AUDITOR RESULTS**

**FINANCIAL STATEMENTS**

Type of auditor's report issued:	Unqualified Opinion
Internal control over financial reporting:	
Material weakness(es) identified?	_____ yes <input checked="" type="checkbox"/> no
Reportable condition(s) identified that are not considered to be material weakness(es)?	_____ yes <input checked="" type="checkbox"/> none reported
Noncompliance material to financial statements noted?	_____ yes <input checked="" type="checkbox"/> no

**FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE**

Internal control over major programs:	
Material weakness(es) identified?	_____ yes <input checked="" type="checkbox"/> no
Reportable condition(s) identified that are not considered to be material weakness(es)?	_____ yes <input checked="" type="checkbox"/> none reported
Type of auditor's report issued on compliance for major programs:	Unqualified Opinion
Any audit findings disclosed that are required to be reported in accordance with section 510(a) of Circular A-133?	_____ yes <input checked="" type="checkbox"/> no

**IDENTIFICATION OF MAJOR PROGRAMS**

**Federal Program**

Public Assistance CFDA No. 97.036  
Highway Planning and Construction CFDA 20.205

Dollar threshold used to distinguish between type A and type B programs:	\$ 1,854,032
Auditee qualified as low-risk auditee?	<input checked="" type="checkbox"/> yes _____ no

