



# Finance Department

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Corrective Action Plan

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## Findings from FY24 Audit

### 1. Grant Accounting and Reporting

Recommendation: The City revise its accounting policies and procedures to ensure compliance with GASB 33, Uniform Guidance (2CFR Part 200), and Chapter 69I-5 of the Florida Administrative Code.

- Implement controls to ensure grant revenue and expenditures are recognized when eligibility requirements are met – not when funds are requested or received. **Grant Consultant and Finance Director or delegate will identify the award date in the grant agreement to determine eligibility. Part of the year-end procedures is to identify the expenditures and ensure the revenues are recognized in the same fiscal year. This is referred to as the “matching principal” in accounting.**
- Strengthen the preparation and review processes for the SEFA and State Financial Assistance reports to ensure completeness and accuracy. **The Finance Director or Delegate will review the SEFA and State Financial Assistance reports to ensure its complete and accurate.**

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### 2. Audit Adjustments

Recommendation: Management enhance its review over financial records to ensure information is accurately recorded.

The Finance Department implemented a review process for documents completed outside of the ERP system to ensure accuracy. The daily bank report transactions are identified and reconciled to the financial records by the Senior Accountant. The report is reviewed, initialed, and dated by the Finance Director and Controller. The year-end checklist was updated for grant review of Federal and State reporting and proper financial recognition to be done by Grants Consultant and Finance Director and/or Delegate. In our financial system, any budget override requires a password from the Finance Director.

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## Findings from FY24 Audit

### 3. Disaster Grant Public Assistance (Presidentially Declared Disasters)

Recommendation: Implement a review and approval process for all quarterly progress report submissions. Finance has identified all grants requiring quarterly reporting and the master grant workbook lists the grant, preparer name, reviewer name and date, submitted by and date. The emails are saved showing the report was submitted to the granting agency.

The City will train its staff on the importance of the review and approval process. A meeting was conducted to communicate the importance on timely reporting. Follow-up meetings will continue in coordination with the monthly grant meetings.

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### 3. Disaster Grant Public Assistance (Presidentially Declared Disasters) – cont'd

The City will ensure adequate staffing levels to handle the review process.

The City will regularly monitor and audit the review process to ensure compliance. The Grants Consultant and Finance Director has regular meetings with FEMA, Department Directors and Project Managers. These are typically scheduled 2-4 times per month depending on the grant activity.

The City will develop clear guidelines and procedures for the review and approval process. Interim Finance Director met with Directors to work together on a Grant Policy and Procedures for all City-Wide grants. This will be finalized by 9/30/25.

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### 4. Statewide Water Quality Restoration Projects

Recommendation: The City to update its policies, procedures, and controls to ensure reports are filed timely. In addition, implement a tracking system for each grant, which includes significant reporting requirements and deadlines. The Grants Consultant incorporated deadlines into the master grant workbook for reporting compliance. In addition, the responsible Department updated their internal procedures to include preparation of reports in accordance with grant terms and conditions, secondary review for accuracy and approval, authorized submission as stated in the grant requirements, coordination for financial oversight, grant tracking spreadsheet with key deadlines, and receipt confirmation for each report submission.

QUESTIONS?