

**NORTHWEST FLORIDA  
WATER MANAGEMENT DISTRICT**

**FOLLOW-UP REPORT ON  
DISTRICT CORRECTIVE ACTIONS  
REGARDING  
AUDITOR GENERAL AUDIT REPORT NO. 2022-201**

**REPORT NO. 23-01**

**November 11, 2022**

## 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*

November 11, 2022

Governing Board  
Northwest Florida Water Management District  
81 Water Management Drive  
Havana, Florida 32333

Pursuant to Section 20.055(6)(h), Florida Statutes, as the District's Inspector General we are reporting on the status of the Northwest Florida Water Management District's corrective actions taken on the finding and recommendation in the Auditor General's Operational Audit Report No. 2022-201, dated June 2022. A copy of this report is also being 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.**

***FOLLOW-UP ON AUDITOR GENERAL REPORT NO. 2022-201***  
***NOVEMBER 11, 2022***

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**BACKGROUND**

In June 2022, the Auditor General released Audit Report No. 2022-201, Operational Audit of the Northwest Florida Water Management District (District). The 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 Executive Director 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 actions taken by the District to address the finding and recommendation in Auditor General Report No. 2022-201.

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 timely cancellation of purchasing cards (P-cards) after cardholders separated from employment.

To achieve our objectives, we performed the following procedures:

- 1) Reviewed Auditor General Report No. 2022-201, dated June 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 finding and recommendation.
- 3) Examined District policies, procedures, and other documentation relating to management's corrective actions.

***FOLLOW-UP ON AUDITOR GENERAL REPORT NO. 2022-201***  
***NOVEMBER 11, 2022***

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- 4) Obtained a list of all District employees who separated from employment between June 1, 2022, and October 26, 2022, and compared the list to District records of active and canceled P-cards. Of the five employees separating from employment during the review period, two had been issued P-cards. For the two former employees who had been issued P-cards we:
- a. Determined if the P-cards were canceled on or before their separation dates.
  - b. Examined employee separation forms for documentation that their P-cards had been collected.
  - c. Reviewed copies of e-mail notifications from the HR Administrator to the P-card Administrator to determine if the P-card Administrator had been timely notified of the employees' separation.

<b>SUMMARY OF RESULTS</b>
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Our follow-up audit disclosed that District management has corrected the finding and recommendation in the Auditor General's report. Please see Appendix A of this report for a detailed 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 the assistance and cooperation provided during 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.**

***FOLLOW-UP ON AUDITOR GENERAL REPORT NO. 2022-201***  
***NOVEMBER 11, 2022***

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<b>Appendix A</b>	
<b>Schedule of District Corrective Actions for Auditor General Report No. 2022-201, June 2022</b>	
<b>Finding 1: Purchasing Cards</b>	
<b>AG Finding Summary</b>	The District did not always timely cancel purchasing cards after cardholders separated from employment.
<b>AG Recommendation</b>	The District should continue efforts to ensure that P-cards are timely canceled upon a cardholder's separation from District employment.
<b>Original District Response</b>	The District has revised its procedures to establish better controls to ensure purchasing cards (P-card) are timely canceled upon a cardholder's separation from District employment. In March 2022, the District employee separation form was revised to specify whether the employee had a P-card that must be returned to the District and the Human Resources Administrator started using the form to notify the P-card Administrator of P-cards that must be canceled. The District will continue efforts to ensure that P-cards are timely canceled upon a cardholder's separation from District employment.
<b>Status Per Management as of November 2022</b>	The revised employee separation form is being used to specify whether separating employees have P-cards that must be returned to the District. Employee supervisors notify the HR Administrator of departing employees. The HR Administrator notifies all appropriate staff, including the P-card Administrator, of employee separations via e-mail. Upon notification, the P-card Administrator cancels the P-card on or before the separation effective date if the separating employee had been assigned a P-card.