

SUWANNEE RIVER WATER MANAGEMENT DISTRICT
AUDIT COMMITTEE MEETING TELECONFERENCE AGENDA

OPEN TO THE PUBLIC

February 11, 2020
Following Board Meeting

District Headquarters
Live Oak, FL

1. Call to Order / Committee Roll Call

2. Public Comment

3. Discussion Item

- Acceptance of Inspector General Audit Report #20-01 from Law, Redd, Crona & Munroe, P.A.

4. Announcements

5. Adjournment

Recommended Additions:

A person may not lobby the District until such person has registered as a lobbyist with the Contracts and Procurement Coordinator by filing a registration form.

Definitions:

•"Lobbies" is defined as seeking to influence a district policy or procurement decision or an attempt to obtain the goodwill of a district official or employee. (112.3261(1)(b), Florida Statutes [F.S.]

•"Lobbyist" is a person who is employed and receives payment, or who contracts for economic consideration, for the purpose of lobbying, or a person who is principally employed for governmental affairs by another person or governmental entity to lobby on behalf of that other person or governmental entity. (112.3215(1)(h), F.S.)

MEMORANDUM

TO: Audit Committee

FROM: Pam Shaw, Chief Financial Officer

DATE: January 31, 2020

RE: Acceptance of Inspector General Audit Report #20-01 from Law, Redd, Crona & Munroe, P.A.

RECOMMENDATION

Staff requests the Audit Committee recommend to the Governing Board to accept Inspector General Audit Report #20-01 from Law, Redd, Crona & Munroe, P.A.

BACKGROUND

Law, Redd, Crona & Munroe, P.A., prepared the following Inspector General Audit Report per the Fiscal Year 2019-2020 Internal Audit Work Plan:

- Report #20-01, dated January 31, 2020 – Follow-up Report on District Corrective Actions Regarding Prior Internal Audit Findings

Staff provided support to Law, Redd, Crona & Munroe during the audit process.

/ps
Attachment

**SUWANNEE RIVER
WATER MANAGEMENT DISTRICT**

**FOLLOW-UP REPORT ON DISTRICT CORRECTIVE ACTIONS
REGARDING
PRIOR INTERNAL AUDIT FINDINGS**

REPORT #20-01

January 31, 2020

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

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

Pursuant to Section 20.055(8)(c)4., Florida Statutes, and the District's internal audit activity charter, as the District's Inspector General we are reporting on the status of the Suwannee River Water Management District corrective actions taken on unresolved prior internal audit findings and recommendations disclosed during the period October 1, 2015, through September 30, 2019.

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.
Tallahassee, Florida
January 31 2020

***FOLLOW-UP ON PRIOR INTERNAL AUDIT FINDINGS
AND RECOMMENDATIONS***

JANUARY 31, 2020

BACKGROUND

Pursuant to Section 20.055(8)(c)4., Florida Statutes, and the internal audit activity charter, the District's Inspector General is required to follow up and report on the status of management's corrective actions taken on findings and recommendations disclosed in previous internal audit reports.

In our internal audit report #19-01, dated January 15, 2019, we reported that the District had corrected five of the seven findings and recommendations disclosed in internal audit reports during the three-year period of October 1, 2015, through September 30, 2018. Corrective action was found to be in progress for the remaining two findings.

During the period of October 1, 2018, through September 30, 2019, there were no new internal audit findings or recommendations. Accordingly, only the two prior findings carried forward from report #19-01 needed follow-up for this audit 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 two findings and recommendations carried forward from report #19-01, dated January 15, 2019. The two findings are listed in a table presented in the Observations and Recommendations section of this report.

The scope of our follow-up activities focused on District actions taken to address the above-described internal audit findings and recommendations.

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

- 1) Examined internal audit report #19-01 and supporting working papers. Reviewed the details of the applicable prior findings and previous District management responses thereto.
- 2) Made inquiries of and obtained representations from District management regarding the current status of corrective actions taken to address the prior internal audit findings and recommendations.
- 3) Examined District records and documentation relating to management's corrective actions.

***FOLLOW-UP ON PRIOR INTERNAL AUDIT FINDINGS
AND RECOMMENDATIONS***

JANUARY 31, 2020

OBSERVATIONS AND RECOMMENDATIONS

Our audit disclosed that the District continues to make progress in addressing the remaining unresolved findings and recommendations disclosed in report #19-01. For a list of the prior internal audit findings and the results of our follow-up on each finding, please see the following table.

Prior Internal Audit Findings Corrective Action Status		
Report	Finding	Status as of February 2020
19-01 IT Controls	Finding 1: Periodic Re-performance of Employee Background Screening	Corrected
	Finding 3: Other IT Control Findings	In Progress (as detailed below)
	• Protecting Administrator Login Accounts	In Progress
	• IT Disaster Recovery Planning	Corrected
	• IT Risk Assessment	In Progress
	• Security Incident Response Planning	Corrected

As shown above, some items included within Finding 3 of report #19-01 are still in the process of being addressed by the District. The finding regarding security incident response planning was corrected by the District subsequent to our audit fieldwork and during the process of our communication of the audit results to management, but before the issuance of this report. We are not disclosing specific details of the issues in this report to avoid the possibility of compromising security over District data and IT resources. However, we have communicated the specific details to District management.

Recommendation:

District management should continue working toward addressing the IT control issues as resources permit.

Management’s Response:

The Suwannee River Water Management District will continue to enhance and improve IT control issues as recommended by the Inspector General.

FOLLOW-UP ON PRIOR INTERNAL AUDIT FINDINGS AND RECOMMENDATIONS

CONCLUSION

As discussed above, District management has made progress in addressing the observations and recommendations from our prior internal audit report #19-01. We recommend that management review each issue in this report, determine the cost benefit of the recommendation, and take appropriate action.

We wish to thank District management and staff for their helpfulness and cooperation in this endeavor. If there are any questions regarding our observations or recommendations, please feel free to call Richard Law, C.P.A. or Jon Ingram, C.P.A.

Law Redd Crona + Munroe P.A.

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