

**SUPERVISOR  
OF ELECTIONS  
HIGHLANDS COUNTY, FLORIDA  
FINANCIAL STATEMENTS  
For the Fiscal Year Ended September 30, 2001**

**SUPERVISOR OF ELECTIONS**  
**HIGHLANDS COUNTY, FLORIDA**  
**September 30, 2001**

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# The NCT Group CPA's, L.L.P.

Certified Public Accountants and Consultants

## INDEPENDENT AUDITOR'S REPORT

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Daniel F. Dorrell, CPA  
*Consultant*

October 26, 2001

Honorable Joe Campbell  
Supervisor of Elections  
Highlands County, Florida

We have audited the accompanying general purpose financial statements of the Supervisor of Elections of Highlands County, Florida (Supervisor), as of and for the year ended September 30, 2001, as listed in the table of contents. These general purpose financial statements are the responsibility of the Supervisor's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As discussed in Note 1, the general purpose financial statements referred to above are intended to present the financial position and results of operations of only the Supervisor and are not meant to represent Highlands County, Florida, as a whole.

In our opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the Supervisor as of September 30, 2001, and the results of its operations for the fiscal year then ended, in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated October 26, 2001, on our consideration of the Supervisor's internal control over financial reporting and our tests of compliance with certain provisions of laws, regulations, and contracts. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

*The NCT Group CPAs, LLP*

THE NCT GROUP CPA's, L.L.P.



**SUPERVISOR OF ELECTIONS  
HIGHLANDS COUNTY, FLORIDA  
BALANCE SHEET  
ALL FUND TYPES**

September 30, 2001

		<b>Governmental Fund Type</b>
		<u>General Fund</u>
<b>ASSETS</b>		
Cash and cash equivalents	\$	81,269
Accounts receivable		94
<b>Total Assets</b>	<b>\$</b>	<b>81,363</b>
 <b>LIABILITIES AND FUND BALANCE</b>		
<b>Liabilities:</b>		
Vouchers payable	\$	9,478
Due to other constitutional officers		69,025
Accrued wages		991
Accrued compensated absences payable		1,869
<b>Total Liabilities</b>		<b>81,363</b>
<b>Fund Balance:</b>		
Unreserved		-
<b>Total Liabilities and Fund Balance</b>	<b>\$</b>	<b>81,363</b>

See accompanying notes to financial statements.

**SUPERVISOR OF ELECTIONS  
HIGHLANDS COUNTY, FLORIDA  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
GOVERNMENTAL FUND TYPE**

For the Fiscal Year Ended September 30, 2001

	<b>General Fund</b>
<b>REVENUES:</b>	
<b>Intergovernmental:</b>	
Appropriation from Board of County Commissioners	\$ 427,206
<b>Miscellaneous revenue:</b>	
Interest	1,953
<b>Total Revenues</b>	<b>429,159</b>
<b>EXPENDITURES:</b>	
<b>General government:</b>	
<b>Financial and administrative:</b>	
Personal services	275,152
Operating expenditures	67,300
Capital outlay	15,957
<b>Total Financial and Administrative</b>	<b>358,409</b>
<b>Excess of Revenues Over Expenditures</b>	<b>70,750</b>
<b>OTHER FINANCING (USES):</b>	
Unexpended budget balance reverting to Board of County Commissioners	(70,750)
<b>Total Other Financing (Uses)</b>	<b>(70,750)</b>
Excess of Revenues Over Expenditures and Other Uses	-
<b>FUND BALANCE - October 1, 2000</b>	<b>-</b>
<b>FUND BALANCE - September 30, 2001</b>	<b>\$ -</b>

See accompanying notes to financial statements.

**SUPERVISOR OF ELECTIONS  
HIGHLANDS COUNTY, FLORIDA  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
BUDGET AND ACTUAL  
GOVERNMENTAL FUND TYPE**

**For the Fiscal Year Ended September 30, 2001**

	<u>General Fund</u>		
	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<b>REVENUES:</b>			
<b>Intergovernmental:</b>			
Appropriation from Board of County Commissioners	\$ 427,206	\$ 427,206	\$ -
<b>Miscellaneous revenue:</b>			
Interest	-	1,953	1,953
<b>Total Revenues</b>	<b>427,206</b>	<b>429,159</b>	<b>1,953</b>
<b>EXPENDITURES:</b>			
<b>General government:</b>			
<b>Financial and administrative:</b>			
Personal services	288,898	275,152	13,746
Operating expenditures	119,608	67,300	52,308
Capital outlay	18,700	15,957	2,743
<b>Total Financial and Administrative</b>	<b>427,206</b>	<b>358,409</b>	<b>68,797</b>
<b>Excess of Revenues Over Expenditures</b>	<b>-</b>	<b>70,750</b>	<b>70,750</b>
<b>OTHER FINANCING (USES):</b>			
Unexpended budget balance reverting to Board of County Commissioners	-	(70,750)	(70,750)
<b>Total Other Financing (Uses)</b>	<b>-</b>	<b>(70,750)</b>	<b>(70,750)</b>
<b>Excess of Revenues Over Expenditures and Other Uses</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>FUND BALANCE - October 1, 2000</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>FUND BALANCE - September 30, 2001</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

See accompanying notes to financial statements.

**SUPERVISOR OF ELECTIONS  
HIGHLANDS COUNTY, FLORIDA  
NOTES TO FINANCIAL STATEMENTS**

**September 30, 2001**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Highlands County is a non-charter County established on April 23, 1921, under the laws of the State of Florida 1921, Chapter 8513. The Supervisor of Elections (Supervisor) is one of six constitutional officers elected to serve within the County and receives a significant portion of its revenue from the Board of County Commissioners, Highlands County, Florida. These financial statements present all fund types and account groups of the Supervisor and are not meant to represent Highlands County, Florida, as a whole.

The Supervisor is elected every four years to serve as the official responsible for registering eligible voters within the County, conducting elections within the County, receiving qualifying fees for public office, and tabulating results of votes cast during elections.

The Supervisor is a "budget" officer in that all of the Supervisor's operating revenues are received from the Board of County Commissioners in the form of an appropriation. Any fees collected by the Supervisor in carrying out his duties are remitted to the Board at the end of each month. The Supervisor is also required to submit back to the Board any excess revenues over expenditures as of September 30 of each year.

The accounting policies of the Supervisor conform to accounting principles generally accepted in the United States of America as applicable to governmental entities. The following is a summary of the more significant policies:

**A. Fund Accounting**

The accounts of the Supervisor are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures or expenses, as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The purpose of the Supervisor's various funds and account groups is as follows:

**GOVERNMENTAL FUNDS**

**General Fund** - The General Fund is the general operating fund of the Supervisor. The majority of the Supervisor's day to day operations are accounted for in this fund. It is used to account for all financial resources not required to be accounted for in another fund. Appropriations received from the Board of County Commissioners are recorded in this fund. Expenditures for general governmental services are paid for through this fund.

**ACCOUNT GROUPS**

**General Fixed Assets Account Group** - The Supervisor does not maintain a General Fixed Assets Account Group. All general fixed assets purchased are recorded as expenditures in the general fund at the time of purchase. The Supervisor notifies the Board of County Commissioners of general fixed assets purchased and the original cost is recorded in the General Fixed Assets Account Group of the Board of County Commissioners. The Supervisor may not dispose of any general fixed assets in his custody. The Supervisor is to notify the Board of County Commissioners of any unused or obsolete assets and it is the Board of County Commissioners' responsibility to dispose of these assets in accordance with the various Florida Statutes.

**SUPERVISOR OF ELECTIONS**  
**HIGHLANDS COUNTY, FLORIDA**  
**NOTES TO FINANCIAL STATEMENTS**

September 30, 2001

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**B. Measurement Focus**

**Governmental Fund Types** - General Funds are accounted for using a current financial resources measurement focus. This means that only current assets and current liabilities are generally included on their balance sheets. Their reported undesignated fund balances (net current assets) are considered a measure of "available, spendable, or appropriable resources". Governmental fund type operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets.

**C. Basis of Accounting**

Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made regardless of the measurement focus applied.

**Governmental Fund Types** - Governmental Funds are accounted for using the modified accrual basis of accounting. Under the modified accrual basis, revenues are recognized when they become measurable and available as net current assets. Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. Exceptions to this general rule include: (1) principal and interest on general long-term debt which is recognized when due; and (2) the accumulated long-term portion of nonvested sick pay which is not accrued.

**D. Budgets and Budgetary Data**

The following are the procedures followed in establishing the budget for the Supervisor's office:

1. On or before June 1 of each year, the Supervisor shall submit to the Board of County Commissioners a tentative budget for the ensuing fiscal year.
2. Within fifteen days after certification of the ad valorem tax roll by the Property Appraiser, the County Budget Officer submits to the Board a proposed County-wide operating budget for the fiscal year commencing the following October 1. The operating budget includes proposed expenditures and the means of financing them.
3. By Board resolution, a tentative budget is submitted to the public. Public hearings are held to obtain taxpayers' comments.
4. Within twenty days after adoption of the tentative budget, a final budget is submitted for review and adoption at a final public hearing.
5. Prior to, or on, September 30, the County's operating budget is legally enacted through passage of a resolution.
6. The Supervisor receives his budgeted revenues from the Board in monthly installments beginning in October.
7. Section 129.07, Florida Statutes, provides that only expenditures in excess of total fund budgets are unlawful. The Supervisor has only one fund; therefore, this becomes the level of control.

**SUPERVISOR OF ELECTIONS  
HIGHLANDS COUNTY, FLORIDA  
NOTES TO FINANCIAL STATEMENTS**

**September 30, 2001**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**D. Budgets and Budgetary Data (continued)**

8. Formal budgetary integration is employed as a management control device during the year for all Governmental Fund Types.
9. Annual appropriated budgets for the General Fund are legally adopted on a basis consistent with accounting principles generally accepted in the United States of America.
10. All appropriations lapse at the close of the fiscal year.

**E. Cash and Cash Equivalents**

The Supervisor considers the following as cash and cash equivalents:

1. equity in bank accounts; and
2. deposits in the Local Government Surplus Funds Trust Fund under the management of the State Board of Administration.

**F. Investments**

Section 219, Florida Statutes, authorizes the Supervisor to invest surplus public funds in:

1. negotiable direct obligations of, or obligations of which the principal and interest are unconditionally guaranteed by, the U. S. Government;
2. interest bearing time deposits or savings accounts in banks and savings and loans organized under state or federal laws and doing business in and situated in the State, provided deposits are secured by collateral as prescribed by the State;
3. securities of any open-end or closed-end management type investment company or investment trust registered under the Investment Company Act of 1940, provided the portfolio is limited to U.S. Government obligations or to repurchase agreements fully collateralized by such obligations; and
4. obligations of the Federal Home Loan Mortgage Corporation.

**G. Compensated Absences**

Employees of the Supervisor earn annual and sick leave in varying amounts. Upon retirement, death, resignation, or separation in good standing, employees are eligible to receive one hundred percent of accumulated annual leave at their current rates of pay.

There is no limit on the amount of sick leave that can be accumulated by employees of the Supervisor. The limit of lump-sum reimbursements of sick leave credits is based on years of continuous service and accrual of sick leave hours. Employees of the Supervisor with ten or more years of continuous service are fully vested for sick leave. Upon termination of employment, these employees are eligible to receive payment for accumulated sick leave in varying percentage amounts up to 50% at their current rate of pay.

**SUPERVISOR OF ELECTIONS**  
**HIGHLANDS COUNTY, FLORIDA**  
**NOTES TO FINANCIAL STATEMENTS**

September 30, 2001

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**G. Compensated Absences (continued)**

Annual and sick leave credits for the Supervisor have been fully funded and are recorded as an expenditure in the governmental fund types for the vested annual and sick leave credits.

**H. Unexpended Budget Balance Reverting to Board of County Commissioners**

Chapter 218, Florida Statutes, requires that any excess of revenues over expenditures in the General Fund held by the Supervisor at the end of each fiscal year shall be remitted to the Board of County Commissioners. Therefore, the excess of revenues over expenditures in the General Fund at the end of each fiscal year is reflected as unexpended budget balance reverting to Board of County Commissioners on the statement of revenues, expenditures and changes in fund balance, and the related liability is included in due to constitutional officers.

**I. Other**

Chapter 218, Florida Statutes, requires that the Supervisor make an annual report to the Board of County Commissioners, within 31 days of the close of his fiscal year, reflecting the excess of revenues over expenditures or the unexpended budget balance as of the close of the fiscal year. In order to comply with the State Statutes, it is the policy of the Supervisor that the accounting records be held open several days after the close of the fiscal year in order that all receipts and expenditures applicable to the fiscal year can be recorded in the records. The financial statements prepared in accordance with accounting principles generally accepted in the United State of America reflect any receipts or disbursements made after the close of the fiscal year as receivable or payable, as applicable.

**NOTE 2 - CASH AND CASH EQUIVALENTS**

Cash and cash equivalents consist of:

Demand deposits	\$ 441
Petty cash and change funds	100
Local government surplus trust fund	<u>80,728</u>
	<u>\$81,269</u>

The entire amount of the demand deposits is deposited in a State of Florida qualified depository and, therefore, is fully collateralized.

The Supervisor's monies must be deposited in banks designated as qualified public depositories by the Florida Department of Insurance and State Treasurer. Therefore, the Supervisor's total deposits are insured by the Florida Depository Insurance Corporation and the Bureau of Collateral Securities, Division of Treasury, Florida Department of Insurance. The law requires the State Treasurer to ensure that funds are entirely collateralized throughout the fiscal year.

Collateral is provided for demand deposits through the Florida Security for Public Deposits Act. This law establishes guidelines for qualification and participation by banks and savings associations, procedures for the administration of the collateral requirements, and characteristics of eligible collateral. Under this law, the qualified public depository must pledge at least 50% of the average daily balance for each month of all public deposits in excess of any applicable deposit insurance.

**SUPERVISOR OF ELECTIONS  
HIGHLANDS COUNTY, FLORIDA  
NOTES TO FINANCIAL STATEMENTS**

**September 30, 2001**

**NOTE 2 - CASH AND CASH EQUIVALENTS (continued)**

Additional collateral, up to a maximum of 125%, may be required if deemed necessary under the conditions set forth in this law. Eligible collateral consists of obligations of the United States and its agencies and obligations of states and their local political subdivisions and unaffiliated corporations.

Obligations pledged to secure deposits must be delivered to the State Treasurer or, with the approval of the State Treasurer, to a bank, savings association, or trust company provided a power of attorney is delivered to the State Treasurer. On a monthly basis, the State Treasurer determines that the collateral has a market value adequate to cover the deposits under the provisions of this law.

Investments in the Local Government Surplus Funds Trust Fund are fully insured in accordance with Chapter 280, Florida Statutes, which establishes the multiple financial institution collateral pool.

**NOTE 3 - INVESTMENTS**

The Supervisor invests funds throughout the year with the Local Government Surplus Trust Fund (SBA), an investment pool administered by the State Board of Administration, under the regulatory oversight of the State of Florida. Throughout the year and as of September 30, 2001, the SBA contained certain floating and adjustable rate securities which were indexed based on the prime rate and/or one and three month LIBOR rates. These investments represented 12% of the SBA's portfolio at September 30, 2001. Local Government Surplus Funds Trust Fund Investments are considered to be in a Rule 2a7-like pool and are reported, at amortized cost, as cash equivalents.

**NOTE 4 - PERSONNEL COMMITMENTS**

Employees of the Supervisor earn annual leave and sick leave in varying amounts. In the event of retirement or termination of employment, an employee is paid for accumulated unused credits. The cash benefit of compensated absences is determined by multiplying the employee's current wage rate by the number of hours of unused credits.

The following shows the change in compensated absences for the fiscal year ended September 30, 2001:

	<u>General Fund</u>
Compensated absences - September 30, 2000	\$ 2,485
Net change during current year	<u>( 616)</u>
	<u>\$ 1,869</u>

The Supervisor is obligated to make available to retired employees the option to maintain coverage with the County group health insurance plan. The County incurs no cost for this as the retired employee makes monthly payments to the County for this insurance.

**NOTE 5 - PENSION PLAN**

All full-time employees are participants in the Florida Retirement System (System), a multiple-employer, cost-sharing public retirement system. The System, which is controlled by the State Legislature and administered by the State of Florida, Division of Retirement, covers approximately 619,000 full-time employees of various governmental units within the State of Florida.

**SUPERVISOR OF ELECTIONS**  
**HIGHLANDS COUNTY, FLORIDA**  
**NOTES TO FINANCIAL STATEMENTS**

September 30, 2001

**NOTE 5 - PENSION PLAN (continued)**

The System provides for vesting of benefits after six years of creditable service. Normal retirement benefits are available to employees who retire at or after age 62 with six or more years of service. Early retirement is available after six years of service with a five percent reduction of benefits for each year prior to the normal retirement age. Retirement benefits are based upon age, average compensation, and years-of-service credit where average compensation is computed as the average of an individual's five highest years of earnings. Employees are not required to contribute to the retirement system.

The Supervisor's office has no responsibility to the System other than to make the periodic payments required by the state statutes. The Florida Division of Retirement issues a publicly available financial report that includes financial statements and required supplementary information for the System. The report may be obtained by writing to Florida Division of Retirement, 2639 Monroe Street, Building C, Tallahassee, Florida 32399-1560.

Participating employer contributions are based upon statewide rates established by the State of Florida. These rates, which includes the health insurance subsidy contribution of 1.11%, are applied to employee salaries as follows: regular employees - 7.30%; senior management - 9.28%; and elected officials - 15.14%. The Supervisor's contributions made during the years ended September 30, 2001, 2000, and 1999 were \$22,604, \$24,349, and \$34,484, respectively, equal to the actuarially determined contribution requirements for each year. The Supervisor has determined, in accordance with GASB Statement No. 27, that there was no pension liability before or at transition.

**NOTE 6 - RELATED PARTY TRANSACTIONS**

Transactions with the Highlands County Board of Commissioners and the Constitutional Officers of Highlands County, Florida, for the fiscal year ended September 30, 2001, were as follows:

**Budget Appropriation**

The General Fund of the Supervisor received payments from the Board of County Commissioners in the amount of \$427,206 for the fiscal year ended September 30, 2001.

**Data Processing**

The Clerk of the Courts' Accounting Department and Automated Services Department performs accounting functions and data processing services for the Supervisor, respectively. The charges for these services for the fiscal year ended September 30, 2001, amounted to \$6,888.

**Various Services**

The Board of County Commissioners provides various services to the Supervisor. The charges for these services for the fiscal year ended September 30, 2001, amounted to \$30,762.



# The NCT Group CPA's, L.L.P.

Certified Public Accountants and Consultants

**INDEPENDENT AUDITOR'S REPORT  
ON COMPLIANCE AND ON INTERNAL CONTROL OVER  
FINANCIAL REPORTING BASED ON AN AUDIT OF FINANCIAL  
STATEMENTS PERFORMED IN ACCORDANCE WITH  
GOVERNMENT AUDITING STANDARDS**

Charles T. Nunez, CPA  
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Daniel F. Dorrell, CPA  
*Consultant*

October 26, 2001

Honorable Joe Campbell  
Supervisor of Elections  
Highlands County, Florida

We have audited the accompanying general purpose financial statements of the Supervisor of Elections (Supervisor), Highlands County, Florida, as of and for the year ended September 30, 2001, and have issued our report thereon dated October 26, 2001. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States.

#### Compliance

As part of obtaining reasonable assurance about whether the Supervisor's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, and contracts, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

#### Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Supervisor's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a 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 misstatements in amounts that would be material in relation to the financial statements 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 financial reporting and its operation that we consider to be material weaknesses.

This report is intended solely for the information and use of management and is not intended to be and should not be used by anyone other than these specified parties.

*The NCT Group CPAs, LLP*

THE NCT GROUP CPA'S, L.L.P.



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# The NCT Group CPA's, L.L.P.

Certified Public Accountants and Consultants

## MANAGEMENT LETTER

October 26, 2001

Charles T. Nunez, CPA  
David M. Touchton, CPA  
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Daniel F. Dorrell, CPA  
*Consultant*

Honorable Joe Campbell  
Supervisor of Elections  
Highlands County, Florida

We have audited the general purpose financial statements of the Supervisor of Elections of Highlands County, Florida (Supervisor), as of and for the fiscal year ended September 30, 2001, and have issued our report thereon dated October 26, 2001.

We have issued our Independent Auditor's Report on compliance and on internal control over financial reporting dated October 26, 2001. Disclosures in that report, if any, should be considered in conjunction with this management letter.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards* issued by the Comptroller General of the United States. Additionally, our audit was conducted in accordance with the provisions of Chapter 10.550, Rules of the Auditor General, which govern the conduct of local governmental entity audits performed in the State of Florida and require that certain items be addressed in this letter.

The Rules of the Auditor General (Section 10.554 (1) (g) 1.a.) require that we comment as to whether or not inaccuracies, shortages, defalcations, fraud, and violations of laws, regulations and contractual provisions reported in the preceding annual financial audit report have been corrected. There were no prior year irregularities.

The Rules of the Auditor General (Section 10.554 (1) (g) 1.b.) require that we comment as to whether or not recommendations made in the preceding annual financial audit report have been followed. The recommendations made in the preceding annual financial audit have been followed except as noted below under the heading, Status of Prior Year Findings.

As required by the Rules of the Auditor General (Section 10.554 (1) (g) 2.), we determined that the entity complied with Section 218.415, Florida Statutes, regarding the investment of public funds.

The Rules of the Auditor General (Section 10.554 (1) (g) 4.) require disclosure in the management letter of the following matters if not already addressed in the auditor's reports on compliance and internal controls or schedule of findings and questioned costs: (1) violations of laws, rules, regulations, and contractual provisions that have occurred, or are likely to have occurred; (2) improper or illegal expenditures; (3) improper or inadequate accounting procedures (e.g., the omission of required disclosures from the financial statements); (4) failures to properly record financial transactions; and (5) other inaccuracies, shortages, defalcations, and instances of fraud discovered by, or that come to the attention of, the auditor. Our audit disclosed the following conditions required to be reported under Section 10.544 (1) (g) 4, of the Rules of the Auditor General:

**STATUS OF PRIOR YEAR FINDINGS**

**Poll Workers' Payroll**

**Finding:**

During our prior testing of the poll workers' payroll, it was noted that one worker did not have the time in completed on the timesheet. We noted the same condition in the current year.

**Recommendation:**

We recommend that the precinct clerk be instructed to properly complete the timesheets.

**Management Response:**

Management concurs with this finding. Precinct clerks will be instructed to complete the timesheets.

This management letter is intended solely for the information of the Supervisor, management, and the State of Florida Office of the Auditor General and is not intended to be and should not be used by anyone other than these specified parties.

*The NCT Group CPAs, LLP*

THE NCT GROUP CPA's, L.L.P.