

# JAMES MOORE & CO., P.L.

CERTIFIED PUBLIC ACCOUNTANTS  
AND CONSULTANTS

## **REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR FEDERAL PROGRAM, EACH MAJOR STATE PROJECT, AND PASSENGER FACILITY CHARGE PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133, CHAPTER 10.550, RULES OF THE AUDITOR GENERAL, AND PASSENGER FACILITY CHARGE AUDIT GUIDE FOR PUBLIC AGENCIES**

To the Honorable County Council Members  
of the County of Volusia, Florida:

### **Compliance**

We have audited the compliance of the County of Volusia, Florida, with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133 Compliance Supplement*, the *Florida Department of Financial Services State Projects Compliance Supplement* that are applicable to each of its major federal programs and state projects, and the *Passenger Facility Charge Audit Guide for Public Agencies*, issued by the Federal Aviation Administration (the Guide), for the year ended September 30, 2006. The County of Volusia, Florida's major federal programs and state projects are identified in the summary of auditors' 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, major state projects, and its passenger facility charge program is the responsibility of the County of Volusia, Florida's management. Our responsibility is to express an opinion on the County of Volusia, Florida's compliance based on our audit.

The County of Volusia, Florida's financial statements include the operations of Clerk of the Circuit Court, Volusia County, Florida (a discretely presented component unit) and Emergency Medical Foundation, Inc. (a discretely presented component unit), which received \$524,967 and \$22,440 in federal awards and state projects, respectively, which is not included in the schedule of expenditures of federal awards and state financial assistance for the year ended September 30, 2006. Our audit, described below, did not include the operations of the component units because the component units engaged other auditors to perform an audit in accordance with *Government Auditing Standards*, Chapter 10.550, Rules of the Florida Auditor General, and OMB Circular A-133 (if required).

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; Chapter 10.550, Rules of the Florida Auditor General; and the Guide. Those standards, OMB Circular A-133; Chapter 10.550, Rules of the Florida Auditor General; and the Guide 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, major state project, or the passenger facility charge program occurred. An audit includes examining, on a test basis, evidence about the County of Volusia, Florida'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 on the County of Volusia, Florida's compliance with those requirements.

In our opinion, the County of Volusia, Florida, complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs, each of its major state projects, and its passenger facility charge program for the year ended September 30, 2006.

### **Internal Control Over Compliance**

The management of the County of Volusia, Florida, is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs, state projects, and the passenger facility charge program. In planning and performing our audit, we considered the County of Volusia, Florida's internal control over compliance with requirements that could have a direct and material effect on a major federal program, major state project, or its passenger facility charge program in order 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, Chapter 10.550, Rules of the Florida Auditor General, and the Guide.

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, major state project, or the passenger facility charge program 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.

This report is intended solely for the information and use of the County Council and management, the Auditor General of the State of Florida, and respective 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.

*James Moore & Co.*

Daytona Beach, Florida  
February 7, 2006