

Lee County, Florida

Single Audit Reports

For the Year Ended September 30, 2018

(With Independent Auditors' Report Thereon)



LEE COUNTY, FLORIDA

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

Honorable Board of County Commissioners
Lee County, Florida

We have audited, in accordance with the 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, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Lee County, Florida (County), as of and for the year ended September 30, 2018, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated March 25, 2019. Our report includes a reference to other auditors who audited the financial statements of the Lee County Property Appraiser, the Lee County Sheriff, the Lee County Supervisor of Elections, and the Lee County Tax Collector, as described in our report on the County's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the County's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control. Accordingly, we do not express an opinion on the effectiveness of County's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify certain deficiencies in internal control, described in the accompanying schedule of findings, and questioned costs as item 2018-001 that we consider to be a significant deficiency.

Compliance and Other Matters

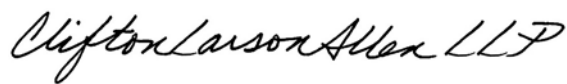
As part of obtaining reasonable assurance about whether the County’s financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material 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 or other matters that are required to be reported under *Government Auditing Standards*.

The County’s Response to Findings

The County’s response to the findings identified in our audit is described in the accompanying schedule of findings and questioned costs. The County’s response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the result of that testing, and not to provide an opinion on the effectiveness of the County’s internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County’s internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



CliftonLarsonAllen LLP

Fort Myers, Florida
May 17, 2019



INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND STATE PROJECT, REPORT ON INTERNAL CONTROL OVER COMPLIANCE, AND REPORT ON THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE REQUIRED BY THE UNIFORM GUIDANCE AND CHAPTER 10.550, RULES OF THE AUDITOR GENERAL OF THE STATE OF FLORIDA

Honorable Board of County Commissioners
Lee County, Florida

Report on Compliance for Each Major Federal Program and State Project

We have audited Lee County, Florida's (the County) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* and the requirements described in the State of Florida Department of Financial Services' *State Projects Compliance Supplement*, that could have a direct and material effect on each of the County's major federal programs and state projects, for the year ended September 30, 2018. The County'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.

Management's Responsibility

Management is responsible for compliance with federal and state statutes, regulations, and the terms and conditions of its federal and state awards applicable to its federal programs and state projects.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of the County's major federal programs and state projects based on our audit of the types of compliance requirements referred to above. 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; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), and Chapter 10.550, Rules of the Auditor General Local Governmental Entity Audits. Those standards, the Uniform Guidance, and Chapter 10.550 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 or state project occurred. An audit includes examining, on a test basis, evidence about the County'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 on compliance for each major federal program and state project. However, our audit does not provide a legal determination of the County's compliance.

Opinion on Each Major Federal Program and State Project

In our opinion, the County complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs and state projects for the year ended September 30, 2018.

Other Matters

The results of our auditing procedures disclosed an instance of noncompliance, which is required to be reported in accordance with Chapter 10.550, and which is described in the accompanying schedule of findings and questioned costs as item 2018-002. Our opinion on each major state project is not modified with respect to this matter.

The County's response to the noncompliance finding identified in our audit are described in the accompanying schedule of findings and questioned costs. The County's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Report on Internal Control Over Compliance

Management of the County is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the County's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program or state project to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and major state project and to test and report on internal control over compliance in accordance with the Uniform Guidance and Chapter 10.550, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program or state project on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program or state project will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program or state project that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, we did identify a certain deficiency in internal control over compliance, described in the accompanying schedule of findings and questioned costs as 2018-002 that we consider to be a significant deficiency.

Report on Internal Control Over Compliance (Continued)

The County's response to the internal control over compliance finding identified in our audit is described in the accompanying schedule of findings and questioned costs. The County's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Report on Schedule of Expenditures of Federal Awards and State Financial Assistance Required by the Uniform Guidance and Chapter 10.550, Rules of the Auditor General

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the County as of and for the year ended September 30, 2018, and the related notes to the financial statements, which collectively comprise the County's basic financial statements. We issued our report thereon dated March 25, 2019, which contained unmodified opinions on those financial statements. We did not audit the financial statements of the Lee County Property Appraiser, the Lee County Sheriff, the Lee County Supervisor of Elections, and the Lee County Tax Collector. Those financial statements were audited by other auditors whose reports thereon have been furnished to us, and our opinion, insofar as it relates to the amounts included for those components, is based solely on the reports of other auditors. Our audit was conducted for the purpose of forming opinions on the basic financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards and state financial assistance is presented for purposes of additional analysis as required by the Uniform Guidance and Chapter 10.550 and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, based on our audit, the procedures described above, and the reports of the other auditors, the schedule of expenditure of federal awards and state financial assistance is fairly stated in all material respects in relation to the basic financial statements as a whole.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the result of that testing based on the requirements of the Uniform Guidance and Chapter 10.550. Accordingly, this report is not suitable for any other purpose.



CliftonLarsonAllen LLP

Fort Myers, Florida
May 17, 2019

LEE COUNTY, FLORIDA
Schedule of Expenditures of Federal Awards
and State Financial Assistance
For the Fiscal Year ended September 30, 2018

Federal/State grantor /Program or Cluster Title	CFDA CSFA number	Grant number	Pass-through entity	Federal/State award amount	Expenditures	2017-2018 Transfers to Subrecipients
U.S. Department of Agriculture:						
Lee County Hurricane Irma Emergency Watershed Project	10.923	NR184209XXXXC031		4,950,000	68	
				<u>4,950,000</u>	<u>68</u>	<u>-</u>
U.S. Election Assistance Commission:						
Help America Vote Act	90.401	MOA 2015-2016-0001-LEE	Florida Department of State, Div of Elections	68,010	32,151	
Help America Vote Act	90.401	MOA 2018-2019-0001-LEE	Florida Department of State, Div of Elections	457,076	436,472	
Help America Vote Act	90.401	MOA 2018-2019-0002-LEE	Florida Department of State, Div of Elections	17,545	17,545	
Total program				<u>542,631</u>	<u>486,168</u>	<u>-</u>
U.S. Environmental Protection Agency						
EPA Grant - Three Oaks Waste Water Treatment Plant	66.202	XP-00D55917		267,000	267,000	
Drinking Water State Revolving Fund Cluster:						
Capitalization Grants for Drinking Water State Revolving Funds-Advance Water Meter Installation	66.468	DW3602A0	Florida Department of Environmental Protection	17,637,000	10,176,569	
Total Drinking Water State Revolving Fund Cluster				<u>17,637,000</u>	<u>10,176,569</u>	
Total U.S. Environmental Protection Agency				<u>17,904,000</u>	<u>10,443,569</u>	<u>-</u>
U.S. Department of Health & Human Services:						
Enhanced State Surveillance of Opioid-Involved Morbidity and Mortality TANF Cluster	93.136	CDC-RFA-CE16-1608	Florida Children and Families	8,789	8,789	
Temporary Assistance for Needy Families - Homeless Prevention	93.558	HP18D	Florida Department of Children and Families	36,000	36,000	36,000
Temporary Assistance for Needy Families - Homeless Prevention	93.558	HP18D	Florida Department of Children and Families	36,000	5,287	5,287
Total TANF Cluster				<u>72,000</u>	<u>41,287</u>	<u>41,287</u>
Child Support Enforcement Program (Federal Initiative)	93.563	COC36	Florida Department of Revenue	995,495	995,495	
Low Income Home Energy Assistance Program (LIHEAP) - FY17	93.568	17EA-OF-09-46-01-015	Florida Department of Economic Opportunity	2,885,731	1,207,817	
Community Services Block Grant FY17	93.569	17SB-0D-09-46-01-114	Florida Department of Economic Opportunity	467,142	205,217	
Total U.S. Department of Health & Human Services				<u>4,429,157</u>	<u>2,458,605</u>	<u>41,287</u>
U.S. Department of Homeland Security:						
Disaster Grant-Public Assistance (Case Management Program)	97.036	1718-05-38-01	United Way of Broward County	1,250,160	153,438	

LEE COUNTY, FLORIDA
Schedule of Expenditures of Federal Awards
and State Financial Assistance
For the Fiscal Year ended September 30, 2018

Federal/State grantor /Program or Cluster Title	CFDA CSFA number	Grant number	Pass-through entity	Federal/State award amount	Expenditures	2017-2018 Transfers to Subrecipients
Disaster Grant-Public Assistance (RSW/FMY)	97.036	Z0114/DR4337	Florida Division of Emergency Management:	10,199	10,199	
Disaster Grant-Public Assistance Program-Hurricane Irma	97.036	Z0092	Florida Division of Emergency Management:	3,186,963	3,165,959	
Total program				4,447,322	3,329,596	-
Emergency Management Performance Grant (FY17)	97.042	18-FG-7A-09-4601-166	Florida Division of Emergency Management:	152,035	148,402	
Emergency Management Performance Grant (FY18)	97.042	19-FG-XX-09-46-01-XXX	Florida Division of Emergency Management:	154,578	28,127	
Total Program				306,613	176,529	
Homeland Security Grant Program-USAR	97.067	16-DS-V4-09-21-01-349	Florida Division of State Fire Marshall	100,315	73,176	
Homeland Security Grant Program-USAR	97.067	18-DS-X1-08-39-01-306	Florida Division of Emergency Management:	178,650	10,499	
Homeland Security Grant Program -FY16 DEM Issue 9 and 11	97.067	17-DS-V4-09-46-23-311	Florida Division of Emergency Management:	283,284	94,400	
Homeland Security Grant Program -FY16 Operation Stone Garden	97.067	16-DS-U8-09-46-01-295	Florida Division of Emergency Management:	150,000	6,595	
Homeland Security Grant Program -FY16 Operation Stone Garden	97.067	16-DS-W1-09-46-23-274	Florida Division of Emergency Management:	150,000	70,398	
Homeland Security Grant Program -FY17 Operation Stone Garden	97.067	18-DS-X5-09-46-23-198	Florida Division of Emergency Management:	135,000	44,921	
Homeland Security Grant Program-All Hazards Incident Training	97.067	18-DS-X1-09-46-01-298	Florida Division of Emergency Management:	26,800	25,830	
Total program				1,024,049	325,819	-
Total U.S. Department of Homeland Security				5,777,984	3,831,944	-
U.S. Department of Housing & Urban Development:						
Community Development Block Grant Entitlement Grants Cluster:						
CDBG Urban County Entitlement - Year 26	14.218	B-15-UC-12-0013		2,537,415	249,876	201,566
CDBG Urban County Entitlement - Year 27	14.218	B-16-UC-12-0013		2,616,336	1,072,454	256,331
CDBG Urban County Entitlement - Year 28	14.218	B-17-UC-12-0013		2,649,950	588,685	203,872
Neighborhood Stabilization Program	14.218	B-08-UN-12-0009		18,243,867	632,963	6,000
Neighborhood Stabilization Program 3	14.218	B-11-UN-12-0009		6,639,174	121,876	7,500
Total Community Development Block Grant Entitlement Grants Cluster:				32,686,742	2,665,854	675,269
Emergency Solutions Grant Program -Year 14 (FY17)	14.231	E-16-UC-12-0013		228,418	107,738	58,317
Emergency Solutions Grant Program	14.231	HP18D		63,000	12,062	11,869
Emergency Solutions Grant Program -Year 15 (FY18)	14.231	E-17-UC-12-0013		605,383	293,359	136,569
Emergency Solutions Grant Program	14.231	HP18D		63,000	30,824	2,247
Total program				959,801	443,983	209,002

LEE COUNTY, FLORIDA
Schedule of Expenditures of Federal Awards
and State Financial Assistance
For the Fiscal Year ended September 30, 2018

Federal/State grantor /Program or Cluster Title	CFDA CSFA number	Grant number	Pass-through entity	Federal/State award amount	Expenditures	2017-2018 Transfers to Subrecipients
Home Investment Partnership Program - Year 23 (FY15)	14.239	M-14-UC-12-0210		656,524	98,476	98,476
Home Investment Partnership Program - Year 24 (FY16)	14.239	M-15-UC-12-0210		598,975	140,962	24,803
Home Investment Partnership Program - Year 25 (FY17)	14.239	M-16-UC-12-0210		663,553	417,210	27,849
Home Investment Partnership Program - Year 26 (FY18)	14.239	M-17-UC-12-0210		685,970	32,163	
Total program				2,605,022	688,811	151,128
Continuum of Care Program (SHP FY16)	14.267	Various		1,762,276	17,424	17,424
Continuum of Care Program (SHP FY17)	14.267	Various		1,661,056	1,151,574	1,141,360
Continuum of Care Program (SHP FY18)	14.267	Various		1,739,532	606,583	602,862
Total program				5,162,864	1,775,581	1,761,646
Housing Opportunities for Persons with Aids (HOPWA)	14.241	CODME	FL Dept of Health/Health Planning Council of SWFL	128,000	93,240	
Housing Opportunities for Persons with Aids (HOPWA)	14.241	CODME	FL Dept of Health/Health Planning Council of SWFL	157,648	33,736	
Total program				285,648	126,976	-
Total U.S. Department of Housing & Urban Development				41,700,077	5,701,205	2,797,045
U.S. Department of Justice:						
Victims of Crime Act (VOCA) 2017-2018	16.575	Lee County Sheriff's Offi- 0004	Florida Office of Attorney General	122,377	64,260	
State Criminal Alien Assistance (SCAAP)	16.606	2015-AP-BX-0703		100,541	4,245	
Edward Byrne Memorial Justice Assistance Grant Prg-Disaster Recovery	16.738	2017-DJ-BX-0781		97,493	97,493	
Paul Coverdell Forensic Sciences Improvement	16.742	2017-CD-BX-0010	Florida Department of Law Enforcement	2,576	2,576	
Federal Forfeiture- Justice	16.922	None		12,712	12,712	
Total U.S. Department of Justice				335,699	181,286	-
U.S. Department of Transportation/non-FAA:						
Federal Transit Administration:						
Federal Transit Cluster:						
Federal Transit Formula Grants-USC 5307	20.507	FL-20160043-00		5,731,365	697,055	
Federal Transit Formula Grants-USC 5307 (FY13)	20.507	FL-90-X806		6,527,494	252,097	
Federal Transit Formula Grants-USC 5307 (FY14)	20.507	FL-90-X850		5,833,046	59,907	
Federal Transit Formula Grants-USC 5307 (FY15)	20.507	FL-90-X883		5,787,589	38,322	
Federal Transit Formula Grants-USC 5307 (FY17)	20.507	FL-2017-075		6,107,871	2,678,079	
Bus and Bus Facilities Formula Grants-USC 5339	20.526	FL-2016-011		509,327	509,327	
Bus and Bus Facilities Formula Grants-USC 5339	20.526	FL-2017-056-00 & -01		524,386	524,386	
Total Federal Transit Cluster:				31,021,078	4,759,173	-

LEE COUNTY, FLORIDA
Schedule of Expenditures of Federal Awards
and State Financial Assistance
For the Fiscal Year ended September 30, 2018

Federal/State grantor /Program or Cluster Title	CFDA CSFA number	Grant number	Pass-through entity	Federal/State award amount	Expenditures	2017-2018 Transfers to Subrecipients
Formula Grants for Rural Areas -USC 5311	20.509	G0739	Florida Department of Transportation	620,860	205,255	
Federal Highway Administration:						
Highway Planning and Construction Cluster:						
Highway Planning and Construction-(Lee Traffic and Operations Center)	20.205	AQI26 429960-1-88-01	Florida Department of Transportation	1,543,500	258,647	
Highway Planning and Construction-(Advanced Traffic Management)	20.205	412636-4-58-01	Florida Department of Transportation	9,203,900	4,309,840	
Total Highway Planning and Construction Cluster:				<u>10,747,400</u>	<u>4,568,487</u>	-
Total U.S. Department of Transportation/non-FAA				<u>42,389,338</u>	<u>9,532,915</u>	-
U.S. Department of Transportation/FAA:						
Federal Aviation Administration:						
Airport Improvement Program (FSW Rehab Taxiways and Apron Design)	20.106	2-12-0135-054-2018		2,700,387	473,386	
Airport Improvement Program (Page Field)	20.106	3-12-0027-020-2016		17,654,727	3,713,759	
Total U.S. Department of Transportation/FAA				<u>20,355,114</u>	<u>4,187,145</u>	-
Total expenditures of federal awards				<u>138,384,000</u>	<u>36,822,905</u>	<u>2,838,332</u>
Florida Department of Children and Families:						
Homeless Challenge Grant FY16-17	60.014	HPZ70		118,000	9,070	9,070
Homeless Challenge Grant FY16-17 - Staffing Grant	60.014	HP18D		107,142	87,662	87,662
Homeless Challenge Grant FY17-18	60.014	HP18D		118,000	81,643	76,923
Homeless Challenge Grant FY17-18 - Staffing Grant	60.014	HP18D		107,143	26,786	26,786
Homeless Challenge Grant FY18-19	60.014	HP18D		82,334	1,718	1,666
Total Program				<u>532,619</u>	<u>206,879</u>	<u>202,107</u>
Public Safety, Mental Health, & Substance Abuse Local Matching Grant FY17-20	60.115	LHZ59		275,000	221,600	221,600
Total Program				<u>275,000</u>	<u>221,600</u>	<u>221,600</u>
Total Florida Department of Children and Families				<u>807,619</u>	<u>428,479</u>	<u>423,707</u>
Florida Department of Economic Opportunity:						
Florida Housing Finance Corporation:						
SHIP YR20 (State FY14-15)	40.901	LB022,LB023,LB024		2,027,971	482,505	482,505
SHIP YR21 (State FY15-16)	40.901	LB025		2,026,598	527,225	495,578
SHIP YR22 (State FY16/17)	40.901	LB026		2,698,989	1,601,938	1,267,911
SHIP YR23 (State FY17/18)	40.901	LB027		1,859,828	925,905	922,407
SHIP YR24 (State FY18/19)	40.901	LB028		635,859	160	
Total Program				<u>9,249,245</u>	<u>3,537,733</u>	<u>3,168,401</u>

LEE COUNTY, FLORIDA
Schedule of Expenditures of Federal Awards
and State Financial Assistance
For the Fiscal Year ended September 30, 2018

Federal/State grantor /Program or Cluster Title	CFDA CSFA number	Grant number	Pass-through entity	Federal/State award amount	Expenditures	2017-2018 Transfers to Subrecipients
Spring Training Facility	73.016	SB13-235		15,000,000	500,004	
Total Florida Department of Economic Opportunity				24,249,245	4,037,737	3,168,401
Florida Department of the Executive Office:						
EMPA Base Grant FY17-18	31.063	18-BG-W9-08-61-01-206		115,806	76,140	
EMPA Base Grant FY18-19	31.063	19-BG-21-09-46-01-048		115,806	26,689	
Total Florida Department of the Executive Office				231,612	102,829	-
Florida Department of Environmental Protection:						
Beach Management Funds Assistance Program-Lovers Key	37.003	10LE1		3,273,455	17,361	
Beach Management Funds Assistance Program-Blind Pass Restoration	37.003	15LE1		1,000,000	1,250	
Beach Management Funds Assistance Program-Bonita	37.003	16LE1		721,988	15,776	
Beach Management Funds Assistance Program-Blind Pass	37.003	17LE1		225,000	53,357	
Total Program				5,220,443	87,744	-
Statewide Surface Water Restoration and Wastewater Project -Powerline Easement	37.039	S0894		200,000	16,339	
Statewide Surface Water Restoration and Wastewater Project -Yellow Fever Creek	37.039	S0840		175,000	30	
Statewide Surface Water Restoration and Wastewater Project -Prarie Pines	37.039	S0895		300,000	109,330	
Statewide Surface Water Restoration and Wastewater Project -Fitchers Creek	37.039	S0893		300,000	300,000	
Statewide Surface Water Restoration and Wastewater Project-Harmful Algal Bloom Management	37.039	AB001		5,010,000	3,914,613	1,983,139
Total Program				5,985,000	4,340,312	1,983,139
Wastewater Treatment Facility Construction-Three Oaks Construction Agreement	37.077	WW360200		28,800,000	11,302,311	
Total Florida Department of Environmental Protection				40,005,443	15,730,367	1,983,139
Florida Department of Health:						
Bureau of Emergency Management Services						
2017 EMS County Award	64.005	C6036		75,159	75,159	
Total Florida Department of Health				75,159	75,159	-
Florida Department of State:						
State Aid to Libraries Grant (FY18)	45.030	18-ST-25	Div of Library & Information Services	731,046	731,046	-
Total Florida Department of State				731,046	731,046	-
Florida Department of Transportation/non-FAA:						
Commuter Assistance/Rideshare	55.007	AQM18		112,470	43,327	
Commuter Vanpool Program	55.007	G0K58		50,000	50,000	
Total Program				162,470	93,327	-
Public Transit Block Grant Program (State FY18)	55.010	G0Q74		1,888,916	1,888,916	
Beach Park & Ride Summerlin Square	55.011	AOK93		2,325,000	768,821	
Service Development Grant-Downtown Circulator	55.012	G0G37		495,400	165,133	
Transit Corridor Grant Program-FY17/18 US 41 Corridor	55.013	G0R55		1,513,659	1,483,048	

LEE COUNTY, FLORIDA
Schedule of Expenditures of Federal Awards
and State Financial Assistance
For the Fiscal Year ended September 30, 2018

Federal/State grantor /Program or Cluster Title	CFDA CSFA number	Grant number	Pass-through entity	Federal/State award amount	Expenditures	2017-2018 Transfers to Subrecipients
FDOT Grant Burnt Store Road-Central Segment	55.026	435422-1-54-01		2,500,000	734,482	
Total Florida Department of Transportation/non-FAA				8,885,445	5,133,727	-
Florida Department of Transportation/FAA:						
Aviation Development Grants (Airside Pavement rehabilitation)	55.004	ARR95 431367-1-94-01		2,574,138	268,354	
Aviation Development Grants (RSW)	55.004	G0D69 430979-1-94-01		998,234	267,670	
Aviation Development Grants (Page Field)	55.004	AR357 431368-1-94-01		7,978,027	6,331,668	
FMY Multi Use Hanger and Apron Expansion	55.004	G0L93 441245-1-94-01		604,000	604,000	
RSW Maintenance Building Expansion	55.004	G0P15 441681-1-94-01		1,200,000	21,253	
RSW Terminal Expansion	55.004	G0R60 441981-1-94-01		500,000	500,000	
RSW Ticket Counter and Gate Podium Modernization	55.004	G0K77 441246-1-94-01		425,000	123,314	
North Property Utilities & Road Safety Project	55.004	AQE17 430000-1-94-01		2,997,854	913,212	
Total Florida Department of Transportation/FAA				17,277,253	9,029,471	-
Total expenditures of state financial assistance				92,262,822	35,268,815	5,575,247

LEE COUNTY, FLORIDA

Notes to Schedule of Expenditures of Federal Awards and State Financial Assistance

Year Ended September 30, 2018

(1) Basis of Presentation

The Board of County Commissioners (the Board) is the legislative body for the County having the responsibility of budgeting and providing all the funding used by the various County departments and the separate Constitutional Officers, with the exception of fees collected by the Clerk of Circuit Court, Property Appraiser, and Tax Collector. Under the direction of the Clerk of Circuit Court, the Finance & Records Department maintains the accounting system for the Board's operations. The other Constitutional Officers maintain their own accounting systems. For purposes of this report the operations of the County as a whole, including all Constitutional Officers, have been presented. In addition to the divisions of the Board and the Constitutional Officers, the Lee County Port Authority, a blended component unit, is included.

The accompanying schedule of expenditures of federal awards and state financial assistance (Schedule) summarizes the expenditures incurred under all federal programs and state projects by Lee County, Florida for the fiscal year ended September 30, 2018, which are recognized on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of the 2 CFR Part 200, Uniform Administrative Requirements, Cost Principals, and Audit Requirements for Federal Awards (Uniform Guidance), Section 215.97, Florida Statutes, and *Rules of the Auditor General*, Chapter 10.550. For purposes of this Schedule, federal programs and state projects include all grants and contracts entered into directly between Lee County, Florida and agencies and departments of the federal or state government. Federal programs or state projects passed through other government agencies, if any, are also included in the Schedule. Because the Schedule presents only a selected portion of the operations of Lee County, it is not intended to and does not present the financial position, change in net position, or cash flows of the County.

(2) Indirect Costs

Lee County has elected not to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance. The County provides certain services and facilities to federal and state programs such as disbursing, banking, general data processing, office space, and furnishings. Costs for these services are allocated based on certain pre-approved allocation criteria. Lee County, Florida allocated costs for these indirect services to the Department of Housing and Urban Development's CDBG Grant (CFDA #14.218) in the amount of \$19,551.

**LEE COUNTY, FLORIDA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED SEPTEMBER 30, 2018**

SECTION I - SUMMARY OF AUDITORS' RESULTS

Financial Statements

Type of auditors' report issued?	Unmodified
Internal control over financial reporting:	
• Material weakness(es) identified?	No
• Significant deficiency(s) identified that are not considered to be material weaknesses?	Yes
Noncompliance material to the financial statements noted?	No

Federal Awards Section

Internal control over major programs:	
• Material weakness(s) identified?	No
• Significant deficiency(s) identified that are not considered to be material weaknesses?	No
Type of auditors' report issued on compliance for major programs?	Unmodified
Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?	No

Identification of major programs:

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>
20.507, 20.526	Federal Transit Cluster
20.205	Highway Planning and Construction Cluster
66.468	Drinking Water State Revolving Fund Cluster
97.036	Disaster Grants – Public Assistance

Dollar threshold used to distinguish between type A and type B programs:	\$1,104,687
Auditee qualified as low-risk auditee?	No

**LEE COUNTY, FLORIDA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED SEPTEMBER 30, 2018**

I - SUMMARY OF AUDITORS' RESULTS (CONTINUED)

State Financial Assistance Section

Internal control over major projects:

- Material weakness(s) identified? No
- Significant deficiency(s) identified that are not considered to be material weaknesses? Yes

Type of auditors' report issued on compliance for major projects? Unmodified

Any audit findings disclosed that are required to be reported in accordance with Chapter 10.557? Yes

Identification of major State projects:

<u>State CSFA</u>	<u>Name of State Program or Cluster</u>
37.039	Statewide Surface Water Restoration and Wastewater Projects
40.901	State Housing Initiatives Partnership Program (SHIP)
55.004	Aviation Grant Programs
55.010	Public Transit Block Grant Program
55.013	Transit Corridor Development Program

Dollar threshold used to distinguish between type A State projects \$1,058,064

SECTION II - FINANCIAL STATEMENT FINDINGS

2018-001

Type of Finding: Significant Deficiency in Internal Control over Financial Reporting

Condition: Controls over vendor invoices and contract management at the Lee County Port Authority (Port Authority) were not effective in detecting or preventing a vendor from overcharging the Port Authority for services rendered.

Criteria: The Committee of Sponsoring Organizations of the Treadway Commission (COSO) Internal Control Framework states that control activities are a component of internal control. Control activities are policies and procedures established to ensure that management directives are carried out, and consist of two elements, a policy that establishes what should be done and the procedure that implements the policy. COSO Framework states that control activities must be in place for there to be adequate internal control procedures over financial reporting.

Effect: The Port Authority incurred expenses in 2018 that were improperly charged and unrelated to services rendered by the vendor.

**LEE COUNTY, FLORIDA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED SEPTEMBER 30, 2018**

SECTION II - FINANCIAL STATEMENT FINDINGS (CONTINUED)

2018-001 (Continued)

Cause: A contract manager responsible for managing vendor contracts did not follow the Port Authority's policies and procedures.

Repeat Finding: No

Recommendation: We recommend that the Port Authority design controls to increase monitoring over vendor contracts and to ensure that all employees are following Port Authority policies and procedures.

Views of responsible officials: There is no disagreement with the audit finding.

SECTION III - FINDINGS AND QUESTIONED COSTS – MAJOR FEDERAL PROGRAMS

Our audit did not disclose any matters required to be reported in accordance with 2 CFR 200.516(a).

SECTION IV - FINDINGS AND QUESTIONED COSTS – MAJOR STATE PROJECTS

2018-002

State Agency: Florida Department of Environmental Protection

State Program Title: Statewide Surface Water Restoration and Wastewater Projects

CSFA Number: 37.039

Pass-Through Agency: N/A

Award Period: Various

Type of Finding: Significant Deficiency in Internal Control over Compliance, Other Matters

Criteria: The Florida Single Audit Act requires that each non-state entity that provides state financial assistance to a sub-recipient shall provide to each subrecipient information needed by the subrecipient to comply with the requirements of the Florida Single Audit Act.

Condition: During our testing, we noted that the County did not communicate the state awarding agency, the audit and accountability requirements, the information from the Catalog of State Financial Assistance, and information from the State Projects Compliance Supplement to sub-recipients of the state award at the time of the award, as required by the Florida Single Audit Act.

Questioned Costs: None

Context: The County failed to communicate the required information in a timely manner to all sub-recipients.

Cause: The County's controls and processes did not detect the omission from the grantee communications.

**LEE COUNTY, FLORIDA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED SEPTEMBER 30, 2018**

SECTION IV - FINDINGS AND QUESTIONED COSTS – MAJOR STATE PROJECTS (CONTINUED)

2018-002 (Continued)

Effect: The sub-recipients could utilize the funds outside the compliance requirements of the state program, and the County could be held responsible.

Repeat Finding: No

Recommendation: We recommend that the County design processes and procedures to ensure that all sub-recipient agreements contain the necessary items as required by the Florida Single Audit Act.

Views of responsible officials: There is no disagreement with the audit finding.

**LEE COUNTY, FLORIDA
CORRECTIVE ACTION PLAN
YEAR ENDED SEPTEMBER 30, 2018**

Lee County respectfully submits the following corrective action plan for the year ended [Insert date].

Audit period: October 1, 2017 through September 30, 2018

The findings from the schedule of findings and questioned costs are discussed below. The findings are numbered consistently with the numbers assigned in the schedule.

FINDINGS—FINANCIAL STATEMENT AUDIT

SIGNIFICANT DEFICIENCY

2018-001 Significant Deficiency in Internal Control over Financial Reporting

Recommendation: We recommend that the Lee County Port Authority design controls to increase monitoring over vendor contracts and to ensure that all employees are following Port Authority policies and procedures.

Explanation of disagreement with audit finding: There is no disagreement with the audit finding.

Action planned/taken in response to finding: The Port Authority strengthened its controls over vendor contract invoicing. Invoices submitted to the Port Authority will require approval from the corporate level along with a statement that the invoice(s) submitted is true and accurate to the best of their knowledge. All contract invoices will be reviewed and signed by 2 Port Authority representatives. Contract invoices that have payroll included must furnish the Port Authority with payroll reports from the Providers automated payroll system. Each month, supporting documentation is required for actual employee benefits paid by any 3rd party insurer. The Port Authority is tracking invoices each month for trend analysis in each category (wage, benefit, materials/supplies, etc.). Contract Department staff will perform random performance checks to insure compliance that staff hours worked is consistent with monthly invoices.

Name(s) of the contact person(s) responsible for corrective action: Brian McGonagle

Planned completion date for corrective action plan: January 2019

**LEE COUNTY, FLORIDA
CORRECTIVE ACTION PLAN
YEAR ENDED SEPTEMBER 30, 2018**

FINDINGS—FEDERAL AWARD PROGRAMS AUDITS

There are no federal award program audit findings.

FINDINGS—STATE PROJECTS AUDITS

State agency: Florida Department of Environmental Protection

2018-001 Statewide Surface Water Restoration and Wastewater Project – CFSA No. 37.039

Recommendation: We recommend that the County design processes and procedures to ensure that all sub-recipient agreements contain the necessary items as required by the Florida Single Audit Act.

Explanation of disagreement with audit finding: There is no disagreement with the audit finding.

Action taken in response to finding: This grant was accepted from FDEP during a state of local emergency. The sub-recipients were notified of the omission. In the future, the County will review and comply with the requirements of the Florida Single Audit Act.

Name(s) of the contact person(s) responsible for corrective action: Pete Winton

Planned completion date for corrective action plan: NA

**LEE COUNTY, FLORIDA
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
YEAR ENDED SEPTEMBER 30, 2018**

Lee County, Florida respectfully submits the following summary schedule of prior audit findings for the year ended September 30, 2018.

Audit period: October 1, 2017 through September 30, 2018

The findings from the prior audit's schedule of findings and questioned costs are discussed below. The findings are numbered consistently with the numbers assigned in the prior year.

FINDINGS—FINANCIAL STATEMENT FINDINGS

2017-005 – Material Weakness in Internal Control over Financial Reporting

Condition: The County has established the controls and procedures to assure the completeness of expenditures reported on the Schedule of Expenditures of Federal Awards and State Financial Assistance.

Status: Corrected

FINDINGS— FEDERAL AWARD PROGRAMS AUDITS

2017 – 001 Continuum of Care Program – CFDA No. 14.267

Condition: County has the procedures and controls in place for tracking requirements and address timely submission of reports.

Status: Corrected

2017 – 002 Continuum of Care Program – CFDA No. 14.267

Condition: County has the procedures and controls implemented. Contract monitoring of subrecipients are ongoing and is conducted through the term of the contract with onsite reviews and desk reviews.

Status: Corrected

2017 – 003 Airport Improvement Program – CFDA No. 20.106

Condition: Port Authority approval process for completion of the FAA forms is made formally and includes evidence of the approval by the Finance Director or authorized designee.

Status: Corrected

FINDINGS— STATE AWARD PROGRAMS AUDITS

2017 – 004 Beach Management Funds Assistance – CSFA No. 37.003

Condition: The implementation of the eCivis program has the tracking and approval process built into the software for all required reports and the department is utilizing for the quarterly report tracking.

Status: Corrected



**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH REQUIREMENTS
APPLICABLE TO THE PASSENGER FACILITY CHARGE PROGRAM AND
INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH THE
PASSENGER FACILITY CHARGE AUDIT GUIDE**

Honorable Board of County Commissioners
Lee County, Florida
and
Honorable Board of Port Commissioners
Lee County Port Authority

Report on Compliance for the Passenger Facility Charge Program

We have audited Lee County Port Authority's (Authority), a blended component unit of Lee County, Florida (the County), compliance with the types of compliance requirements described in the *Passenger Facility Charge Audit Guide for Public Agencies*, issued by the Federal Aviation Administration (Guide), that could have a direct and material effect on the Authority's passenger facility charge program for the year ended September 30, 2018.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to the passenger facility charge program.

Auditors' Responsibility

Our responsibility is to express an opinion on the Authority's compliance based on our audit of the types of compliance requirements referred to above. 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; and the Guide. Those standards 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 the passenger facility charge program occurred. An audit includes examining, on a test basis, evidence about the Authority'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 on compliance with the passenger facility charge program. However, our audit does not provide a legal determination of the Authority's compliance.

Opinion on Passenger Facility Charge Program

In our opinion, the Authority complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on its passenger facility charge program for the year ended September 30, 2018.

Honorable Board of County Commissioners
Lee County, Florida
and
Honorable Board of Port Commissioners
Lee County Port Authority

Report on Internal Control Over Compliance

Management of the Authority is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Authority's internal control over compliance with the types of requirements that could have a direct and material effect on the passenger facility charge program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for the passenger facility charge program and to test and report on internal control over compliance in accordance with the Guide, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Authority's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of the passenger facility charge program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of the passenger facility charge program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of the passenger facility charge program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Report on Schedule of Passenger Facility Charges Collected and Expended

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the County as of and for the year ended September 30, 2018, and the related notes to the financial statements, which collectively comprise the County's basic financial statements. We issued our report thereon dated March 25, 2019, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of passenger facility charges collected and expended for the year ended September 30, 2018 is presented for purposes of additional analysis as required by the Federal Aviation Administration, and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of passenger facility charges collected and expended is fairly stated in all material respects in relation to the basic financial statements as a whole.

Honorable Board of County Commissioners
Lee County, Florida
and
Honorable Board of Port Commissioners
Lee County Port Authority

Purpose of this Report

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the result of that testing based on the requirements of the Guide. Accordingly, this report is not suitable for any other purpose.



CliftonLarsonAllen LLP

Fort Myers, Florida
May 17, 2019

Lee County, Florida
Schedule of Passenger Facility Charges (PFCs) Collected and Expended (As Reported to FAA)
For the Fiscal Year ended September 30, 2018

	Quarter Ended December 31, 2017	Quarter Ended March 31, 2018	Quarter Ended June 30, 2018	Quarter Ended September 30, 2018	Year Ended September 30, 2018	Cumulative Totals as of September 30, 2017	Cumulative Totals as of September 30, 2018
Collections							
PFCs Collected	\$ 4,225,046	\$ 5,958,100	\$ 4,337,003	\$ 3,393,250	\$ 17,913,399	\$ 283,377,177	\$ 301,290,576
Interest Earned	145,343	193,789	255,527	330,867	925,526	9,131,187	10,056,713
Total Collection	\$ 4,370,389	\$ 6,151,889	\$ 4,592,530	\$ 3,724,117	\$ 18,838,925	\$ 292,508,364	\$ 311,347,289
EXPENDITURES ON APPROVED PFC PROJECTS INCLUDED IN							
Application No. 1							
92-01-C-00-RSW	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 12,686,294	\$ 12,686,294
Application No. 2							
93-02-U-00-RSW	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 9,711,378	\$ 9,711,378
Application No. 3							
94-03-U-00-RSW	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 76,441,067	\$ 76,441,067
Application No. 4							
97-04-U-00-RSW	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,605,139	\$ 3,605,139
Application No. 5							
03-05-C-00-RSW	\$ 721,819	\$ 1,017,899	\$ 740,946	\$ 579,712	\$ 3,060,376	\$ 87,700,715	\$ 90,761,091
Application No. 6							
06-06-C-00-RSW	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,838,689	\$ 4,838,689
Application No. 7							
10-07-C-00-RSW	\$ 5,239	\$ 6,832	\$ -	\$ 117,933	\$ 130,004	\$ 47,924,865	\$ 48,054,869
Application No. 8							
13-08-C-00-RSW	\$ 377,633	\$ 138,829	\$ 408,413	\$ 359,071	\$ 1,283,946	\$ 4,265,595	\$ 5,549,541
Total Expenditures	\$ 1,104,691	\$ 1,163,560	\$ 1,149,359	\$ 1,056,716	\$ 4,474,326	\$ 247,173,742	\$ 251,648,068

LEE COUNTY, FLORIDA

Notes to Schedule of Passenger Facility
Charges Collected and Expended

Year ended September 30, 2018

(1) General

The accompanying schedule of passenger facility charges collected and expended presents the activity of all passenger facility charges of Lee County, Florida.

(2) Basis of Accounting

The accompanying schedule of passenger facility charges collected and expended is presented using the cash basis of accounting.

**LEE COUNTY, FLORIDA
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS
 PASSENGER FACILITY CHARGE PROGRAM
 YEAR ENDED SEPTEMBER 30, 2018**

SECTION I - SUMMARY OF AUDITORS' RESULTS

Financial Statements

Type of auditors' report issued? Unmodified

Internal control over financial reporting:

- Material weakness(es) identified? No
- Significant deficiency(s) identified that are not considered to be material weaknesses? Yes

Noncompliance material to the financial statements noted? No

Passenger Facility Charge Program Section

Internal control over major programs:

- Material weakness(s) identified? No
- Significant deficiency(s) identified that are not considered to be material weaknesses? None Reported

Type of auditors' report issued on compliance for the passenger facility charge program? Unmodified

Any audit findings disclosed that are required to be reported in accordance with the Passenger Facility Charge Audit Guide for Public Agencies? No

This schedule encompasses the Lee County Port Authority only, and is provided as required by the Passenger Facility Charge Program.

**LEE COUNTY, FLORIDA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
PASSENGER FACILITY CHARGE PROGRAM (CONTINUED)
YEAR ENDED SEPTEMBER 30, 2018**

SECTION II - FINANCIAL STATEMENT FINDINGS

This section identifies the significant deficiencies, material weaknesses, fraud, illegal acts, violations of provisions of contracts and grant agreements and abuse related to the financial statements that are required to be reported in accordance with *Government Auditing Standards*.

There were no such findings required to be reported.

SECTION III - FINDINGS AND QUESTIONED COSTS – PASSENGER FACILITY CHARGE PROGRAM

This section identifies the significant deficiencies, material weaknesses, and material instances of noncompliance, including questioned costs, as well as any material abuse findings, related to the audit of the Passenger Facility Charge Program, as required to be reported by the Passenger Facility Charge Audit Guide.

There were no such findings required to be reported.

**LEE COUNTY, FLORIDA
SCHEDULE OF STATUS OF PRIOR YEAR FINDINGS
PASSENGER FACILITY CHARGE PROGRAM
YEAR ENDED SEPTEMBER 30, 2018**

Prior Year Findings

There were no prior year audit findings reported.