

## COMMUNICATION WITH THOSE CHARGED WITH GOVERNANCE

Board of Directors  
Florida Association of Court Clerks, Inc.  
(d/b/a Florida Court Clerks and Comptrollers),  
FACC Services Group, LLC, (d/b/a CiviTek), and  
Civitek National, Inc.  
Tallahassee, Florida

We have audited the financial statements of Florida Association of Court Clerks, Inc. (d/b/a Florida Court Clerks and Comptrollers), FACC Services Group, LLC (d/b/a CiviTek), and CiviTek National, Inc. (collectively, the Organization) for the year ended June 30, 2017, and have issued our report thereon dated October 3, 2017. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our communications letter dated August 31, 2017, and through our discussions with the Treasurers of the Board. Professional standards also require that we communicate to you the following information related to our audit.

### **Qualitative Aspects of Accounting Practices**

#### **Accounting Policies**

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the Organization are described in Note 1 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during the fiscal year being audited. We noted no transactions entered into by the Organization during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

#### **Accounting Estimates**

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events, and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the financial statements were:

- The estimate of the asset related to other postemployment benefits. This estimate is based on an actuarial valuation performed by a qualified actuary. There are underlying assumptions in that actuarial report, which if changed could significantly affect the recorded amount.
- The estimate of employee benefit liabilities described in Note 1 of the financial statements. These liabilities are based on employee rates of pay at year-end and the estimated probability of attaining the age and years of service requirement.
- Management's estimate of depreciation expense is based on original judgments of useful lives and straight-line depreciation.

#### **Certified Public Accountants**

P.O. Box 141270 • 222 N.E. 1st Street • Gainesville, Florida 32614-1270 • (352) 378-2461 • FAX (352) 378-2505  
Laurel Ridge Professional Center • 2347 S.E. 17th Street • Ocala, Florida 34471 • (352) 732-3872 • FAX (352) 732-0542  
443 East College Avenue • Tallahassee, Florida 32301 • (850) 224-7144 • FAX (850) 224-1762

5001 Lakewood Ranch Blvd. N., Suite 101 • Sarasota, Florida 34240 • (941) 907-0350 • FAX (941) 907-0309

MEMBERS OF AMERICAN AND FLORIDA INSTITUTES OF CERTIFIED PUBLIC ACCOUNTANTS  
MEMBER OF AMERICAN INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS PRIVATE COMPANIES AND S.E.C. PRACTICE SECTIONS

Board of Directors  
Florida Association of Court Clerks, Inc.  
(d/b/a Florida Court Clerks and Comptrollers),  
FACC Services Group, LLC, (d/b/a CiviTek), and  
Civitek National, Inc.  
Tallahassee, Florida

### **Qualitative Aspects of Accounting Practices (Continued)**

#### **Accounting Estimates (Concluded)**

- Management utilizes five different allocation methodologies to allocate costs to its various programs. The basis for these cost allocations has been consistently applied.

We evaluated the key factors and assumptions used to develop these estimates in determining that they are reasonable in relation to the financial statements taken as a whole.

#### **Financial Statement Disclosures**

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The most sensitive disclosure affecting the financial statements was:

- The disclosure of cash and cash equivalents in Note 2, which states that the Organization has deposits and investments in excess of Federal Deposit Insurance Corporation insurance.

The financial statement disclosures are neutral, consistent, and clear.

#### **Difficulties Encountered in Performing the Audit**

We encountered no significant difficulties in dealing with management in performing and completing our audit.

#### **Corrected and Uncorrected Misstatements**

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to the financial statements taken as a whole.

#### **Disagreements with Management**

For purposes of this letter, professional standards define a disagreement with management as a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditors' report. We are pleased to report that no such disagreements arose during the course of our audit.

#### **Management Representations**

We have requested certain representations from management that are included in the management representation letter dated October 3, 2017.

#### **Management Consultations with Other Independent Accountants**

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the Organization's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Board of Directors  
Florida Association of Court Clerks, Inc.  
(d/b/a Florida Court Clerks and Comptrollers),  
FACC Services Group, LLC, (d/b/a CiviTek), and  
Civitek National, Inc.  
Tallahassee, Florida

### **Qualitative Aspects of Accounting Practices (Concluded)**

#### **Other Audit Findings or Issues**

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Organization's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention. The following matters came to our attention during the course of our audit.

#### **Separation of Duties**

During our review of controls over the accounting system, we noted that users within the accounting department have the same level of access to each of the various modules (accounts payable, accounts receivable, payroll, etc.). This policy was established so that employees could easily rotate functions within the accounting department as part of their training activities. While the rotation of accounting functions is important, we believe this presents a separation of duties problem in that some users may have the ability to enter transactions or alter accounting records that would be considered in conflict with their other accounting responsibilities. We recommend that user access levels within the accounting department be reviewed for any conflicts, documented and adjusted when accounting responsibilities are rotated amongst staff.

During our review of manual journal entries, we noted that the interim Chief Financial Officer routinely posts manual journal entries without the review or approval of another individual within the accounting department. We recommend that all manual journal entries be reviewed and approved by an appropriate individual within the accounting department and that this approval be clearly documented for audit purposes.

#### **Liability Account Reconciliations**

During our review of MyFloridaCounty and MyPaymentPortal transactions, we noted that certain liability accounts in the general ledger did not agree to their respective subsidiary ledgers provided to us for audit. The differences were considered immaterial to the financial statements as a whole. However, we recommend these accounts be investigated and the differences resolved.

#### **Other Matters**

With respect to the supplementary information accompanying the financial statements, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with U.S. generally accepted accounting principles, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

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

  
October 3, 2017  
Tallahassee, Florida