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MANAGEMENT LETTER

To the Board of Directors
Florida Developmental Disabilities Council, Inc.
Tallahassee, Florida

In planning and performing our audit of the financial statements of Florida Developmental Disabilities Council, Inc. (a nonprofit organization) (the Council) for the year ended September 30, 2007, we considered the Council's internal control in order to determine our auditing procedures for the purpose of expressing an opinion on the financial statements and not to provide assurance on internal control.

However, during our audit, we became aware of a matter that is an opportunity for strengthening internal controls and operating efficiency. This letter does not affect our report dated March 6, 2008 on the financial statements of Florida Developmental Disabilities Council, Inc.

We will review the status of this comment during our next audit engagement. We have already discussed this comment and suggestion with Council personnel, and we will be pleased to discuss this comment in further detail at your convenience or to perform any additional study of this matter. Our comment is summarized below.

PRIOR YEAR FINDING AND RECOMMENDATION

Reconciliation of Expenditures to Federal Funds Drawn

Observation

During our audit, we noted that total allowable expenditures under the Council's federal grant exceeded the federal funds drawn during the year by approximately \$460. We understand that this difference was the result of certain payroll and other expenditures that were not included in total expenses when the periodic draw amounts were calculated. These expenses were offset by amounts, such as voided checks and vendor refunds, which were not included as a reduction in expenses when draw amounts were calculated.

Recommendation

In order to ensure all allowable expenditures are properly reimbursed under the contract, a monthly reconciliation of expenditures to draws should be performed, and adjustments made to draws, as necessary.

To the Board of Directors
Florida Developmental Disabilities Council, Inc.
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Current Year Status

We noted no similar instances in the current year.

CURRENT YEAR FINDING AND RECOMMENDATION

Observation

During our testing of cash disbursements, we noted one instance in which an employee was reimbursed for an expense that was charged on a credit card and had already been paid. After bringing this issue to the attention of management, this expense, which was immaterial in amount, was repaid by the employee.

Recommendation

Monthly credit card statements should be accompanied by all original receipts to substantiate the expense. In addition, expense reimbursement requests submitted by employees should include original receipts. This procedure will eliminate expenses being paid twice.

We wish to thank the Executive Director, Chief Financial Officer, and staff for their support and assistance during our audit.

This report is intended solely for the information and use of the Board of Directors, Audit Committee, management, and others within the organization and is not intended to be and should not be used by anyone other than these specified parties.

Carroll and Company

March 6, 2008