



CHIEF FINANCIAL OFFICER
JEFF ATWATER
STATE OF FLORIDA

September 30, 2014

The Honorable Jeff Atwater
Chief Financial Officer
The Capitol, PL-11
Tallahassee, Florida 32399-0301

Dear Mr. Atwater:

As required by Section 20.055, Florida Statutes, I am providing the Department's six-month status report of corrective actions taken in response to Auditor General Report Number 2014-173, *State of Florida – Compliance and Internal Controls Over Financial Reporting and Federal Awards* (published March 31, 2014).

If you have any questions, please do not hesitate to contact me.

Sincerely,

Teresa Michael
Inspector General

TM:rlg

Attached

cc: Kathy DuBose, Coordinator, Joint Legislative Auditing Committee
Robert Kneip, Chief of Staff
Paul Whitfield, Deputy Chief Financial Officer
Christina Smith, Director of Accounting & Auditing

**DEPARTMENT OF FINANCIAL SERVICES
OFFICE OF INSPECTOR GENERAL**

**SIX-MONTH FOLLOW-UP REPORT
STATUS OF CORRECTIVE ACTION**

Reviewing Entity	Report	Report Title	Date Published
Auditor General	2014-173	State of Florida – Compliance and Internal Controls Over Financial Reporting and Federal Awards	March 31, 2014
Finding FA 2013-005:	The FDFS Statewide Financial Reporting Section (SFRS) improperly classified financial activity for a blended component unit of the State of Florida as a special revenue fund rather than as an enterprise fund.		
Recommendation	We recommend that the SFRS strengthen review procedures to ensure that funds are correctly classified during the preparation of the State's financial statements.		
Original Response	Concur. SFRS will strengthen review procedures to ensure that funds are correctly classified during the preparation of the State's financial statements.		
Six-month Follow-up:	September 17, 2014		
Responsible Division	Division of Accounting & Auditing		
Reported Status	SFRS corrected the classification for the blended component unit. In addition, SFRS strengthened review procedures to ensure that funds are correctly classified during the preparation of the State's financial statements.		
OIG Assessment	CLOSED. Based on a review of documentation submitted by SFRS, procedures were updated to include a review of Fund Questionnaire Forms and applicable supporting documentation. As such, it appears that sufficient action was taken to address the finding.		