



FLORIDA DEPARTMENT of

management SERVICES

We serve those who serve Florida

4050 Esplanade Way
Tallahassee, FL 32399-0950
Tel: 850-488-2786 | Fax: 850-922-6149

Rick Scott, Governor

Erin Rock, Secretary

September 25, 2017

Erin Rock, Secretary
Florida Department of Management Services
4050 Esplanade Way, Suite 285B
Tallahassee, FL 32399

Dear Secretary Rock:

In accordance with section 20.055, Florida Statutes, the attached document represents management's explanation of the six-month status of the findings and recommendations included in the Auditor General's Report No. 2017-180, ***State of Florida Compliance and Internal Controls Over Financial Reporting and Federal Awards***, dated March 28, 2017.

If you need further information concerning the response, please do not hesitate to contact Yolanda Lockett, Audit Director, at 487-9476 or me, at 413-8740.

Sincerely,

Dawn E. Case
Inspector General

DC/mb

Enclosure

cc: Joint Legislative Auditing Committee
Sherrill F. Norman, Auditor General
Eric Miller, Chief Inspector General
David Zeckman, Chief of Staff
Heather Best, Senior Director of Executive Operations
Debra Forbess, Director of Finance and Administration
Kelly McMullen, Chief of Financial Management Services
Yolanda Lockett, Audit Director

Audit Findings Status Update Form

Status Date		Report/Agency #	Report Title/Agency Name	
9/25/17		2017-180	State of Florida - Compliance and Internal Controls Over Financial Reporting and Federal Awards FYE 2016	
Contact Person		Title		Phone No.
Kelly McMullen		Chief of Financial Management Services		487-0950
				Kelly.McMullen@dms.myflorida.com
Activity		Accountability		Schedule
Allowable Costs/Cost Principles		Responsible Area		Repeat Finding
		Bureau of Financial Management Services		Yes
				Anticipated Completion Date/Date Adjustments will be made
				9/1/17
Finding				
No.	2016-024			
Date	3/28/17			
Finding		Reconciliation for 2017 SWCAP disclosed one fund with an excess balance.		
Recommendation		We recommend that the FDSM take actions, as appropriate, to prevent excess fund balances.		
Management/Agency Response		The Legislature decreased the fee from 1% to .70% effective November 1, 2015, to prevent future excess balances in the Purchasing Operating Trust Fund. The Legislature is considering a further decrease to .65% effective July 1, 2017. We will continue to monitor the trust fund balance and provide information to the Governor and Legislature on funding model adjustments to avoid excess balances going forward.		
Status Update-6 months		The Legislature decreased the fee from 1% to .70% effective November 1, 2015, to prevent future excess balances in the Purchasing Operating Trust Fund. A further reduction effective July 1, 2017, was not implemented. The cash balance was reduced by the Legislature through a trust fund sweep in the 2017-18 fiscal year. In addition, the Legislature increased appropriations from the fund for purchasing functions for the 2017-18 fiscal year. DMS will continue to monitor the trust fund balance and provide information regarding funding model adjustments to the appropriate entities to avoid excess balances.		
<input checked="" type="checkbox"/>	Open			
<input type="checkbox"/>	Management/Agency Assumes Risk			
<input type="checkbox"/>	Partially Complete			
<input type="checkbox"/>	Complete Pending Verification by OIG			
<input type="checkbox"/>	Closed			
Status Update-12 months				
<input type="checkbox"/>	Open			
<input type="checkbox"/>	Management/Agency Assumes Risk			
<input type="checkbox"/>	Partially Complete			
<input type="checkbox"/>	Complete Pending Verification by OIG			
<input type="checkbox"/>	Closed			
Status Update-18 months				
<input type="checkbox"/>	Open			
<input type="checkbox"/>	Management/Agency Assumes Risk			
<input type="checkbox"/>	Partially Complete			
<input type="checkbox"/>	Complete Pending Verification by OIG			
<input type="checkbox"/>	Closed			