September 28, 2017

The Honorable Jimmy Patronis
Chief Financial Officer
The Capitol, PL-11
Tallahassee, Florida 32399-0301

Dear Mr. Patronis:


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

Sincerely,

Teresa Michael
Inspector General

TM:rlg

Attached

cc: Ryan West, Chief of Staff
    Kathy DuBose, Coordinator, Joint Legislative Auditing Committee
<table>
<thead>
<tr>
<th>Reviewing Entity</th>
<th>Report</th>
<th>Report Title</th>
<th>Date Published</th>
</tr>
</thead>
</table>

**Finding 2016-004**

The FDOR did not properly record cash deposited in the State Treasury as Pooled Investments with State Treasury.

**Recommendation**

We recommend that the FDOR take steps to ensure that employees have a sufficient understanding of, and adhere to, fiscal year-end reporting procedures, including those requiring reclassification of supplemental cash receipts. To ensure that deposits with the State Treasury are properly recorded as Pooled Investments with State Treasury, we also recommend that the SFRS take steps to ensure that only amounts recorded to GLCs 121, 122, and 224 are considered when reconciling to Cash with the State Treasury.

**Responsible Division**

Division of Accounting and Auditing

**Original Response**

Concur. The Department will take steps to ensure that only amounts recorded to GLCs 121, 122, and 224 are considered when reconciling to Cash with the State Treasury.

**Six-month Follow-up:** September 19, 2017

The Department's Statewide Financial Reporting Section (SFRS) updated “Checklist Item 04 – Cash Balance Check Report” in the Working Trial Balance (WTB) database to only include GLC 121, 122, and 224 for all agencies, including the Department of Revenue, when reconciling to Cash with the State Treasury (previously, the report also included GL 111 for DOR). Additionally, SFRS updated the Procedures for Recording General Revenue to include a step to verify supplemental deposits (which are not considered Cash with the State Treasury) are recorded in trust funds appropriately to GL 11100-Cash on Hand.

**Expected Completion Date for Corrective Action**

July 5, 2017

**OIG Assessment**

Closed. Based on the information provided to the OIG, it appears that sufficient action was taken to address this finding.