

**SIX MONTH STATUS OF CORRECTIVE ACTIONS FOR AUDITOR GENERAL REPORT NO. 2020-170,
STATE OF FLORIDA – COMPLIANCE AND INTERNAL CONTROLS OVER FINANCIAL REPORTING AND FEDERAL AWARDS
FOR THE FLORIDA DEPARTMENT OF ECONOMIC OPPORTUNITY (FDEO)**

September 22, 2020

<u>Finding No(s). (1)</u>	<u>Program/Area</u>	<u>Brief Description</u>	<u>Status of Finding</u>	<u>Comments</u> (If Finding is not Fully Corrected, include reason for Finding's recurrence and corrective actions planned and taken)
2019-005	Unemployment Insurance (UI) CFDA No. 17.225	Internal controls for the Electronic Payment Card (EPC) Processing and Settlement System need improvement.	Fully Corrected	The Service organization providing electronic access card (debit card) services for FDEO corrected all control exceptions noted in the service organization's independent auditor's report during the period July 1, 2018 to June 31, 2019. This information was reported in the service organization's System and Organization Control (SOC 1) Report on the Suitability of the Design and Operating Effectiveness of Controls issued on November 5, 2019.
2019-006	Unemployment Insurance (UI) CFDA No. 17.225	In our information technology operational audit report No. 2019-183, dated March 2019, we noted in Finding 4 that Reemployment Assistance Claims and Benefits Information System (RA System) application edits for postmark and received dates and related date sequencing need improvement. As of June 2019, the FDEO had not corrected the identified deficiencies.	Partially Corrected	Application edits were identified to ensure the accuracy and integrity of the dates in the RA System during the scanning and indexing process. The majority of these edits were implemented between September 25, 2019 and February 19, 2020. The remaining edit (ALM 99058) will be implemented by the end of 2020.
2019-007	Unemployment Insurance (UI) CFDA No. 17.225	In our information technology operational audit report No. 2019-183, dated March 2019, we noted in Finding 5 Reemployment Assistance Claims and Benefits Information System (RA System) control deficiencies causing language translation errors on forms and documents and incorrect error messages. As of June 2019, the FDEO had not corrected the identified deficiencies.	Partially Corrected	The FDEO initiated a four-phased project to address this issue. Phase one, relating to monetary determination correspondence, was completed January 2020. Phase two, dealing with Appeal correspondence, is in progress. This remains an ongoing priority for the Department and is expected to be completed by the end of 2021.

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2019-008	Unemployment Insurance (UI) CFDA No. 17.225	In our information technology operational audit report No. 2019-183, dated March 2019, we noted in Finding 6 that the procedures for the document intake and indexing processes need improvement to help ensure that all documents received for processing in the Reemployment Assistance Claims and Benefits Information System (RA System) are timely and accurately indexed to the appropriate claimant, claim, and claim issue. As of June 2019, the FDEO had not corrected the identified deficiencies.	Not Corrected	FDEO continues to identify and develop improved procedures for the document intake and indexing processes. Standard Operating Procedures are in development and expected to be completed by December 2020.
2019-009	Unemployment Insurance (UI) CFDA No. 17.225	In our information technology operational audit report No. 2019-183, dated March 2019, we noted in Finding 7 that controls over the distribution of written claimant and employer claim notices continue to need improvement to help ensure that claim notices are timely distributed. As of June 2019, the FDEO had not corrected the identified deficiencies.	Partially Corrected	FDEO continues efforts to identify and correct RA System issues preventing the timely distribution of written claimant and employer claim notices.
2019-010	Unemployment Insurance (UI) CFDA No. 17.225	In our information technology operational audit report No. 2019-183, dated March 2019, we noted in Finding 8 that Reemployment Assistance Claims and Benefits Information System (RA System) processes related to System-generated claim issues need improvement to help ensure that claims are accurately and timely processed. As of June 2019, the FDEO had not corrected the identified deficiencies.	Partially Corrected	FDEO has identified a potential system enhancement to address the appropriate generation of claim issues. The enhancement has not yet been implemented.

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2019-011	Unemployment Insurance (UI) CFDA No. 17.225	In our information technology operational audit report No. 2019-183, dated March 2019, we noted in Finding 12 that deficiencies exist in Reemployment Assistance Claims and Benefits Information System (RA System) automated controls and processing of data that result in claimant benefit overpayments and erroneous claimant and employer charges. As of June 2019, the FDEO had not corrected the identified deficiencies.	Not Corrected	Due to the large-scale effort that will require extensive framework changes identified to resolve this finding, the system enhancements have not yet been implemented.
2019-012	Unemployment Insurance (UI) CFDA No. 17.225	In our information technology (IT) operational audit report No. 2019-183, dated March 2019, we noted in Finding 15 some access controls related to Reemployment Assistance Claims and Benefits Information System (RA System) user access privileges need improvement to promote an appropriate separation of duties and restrict users to only those functions necessary for their assigned job duties. As of June 2019, the FDEO had not corrected the identified deficiencies.	Not Corrected	FDEO has identified a project-level effort to establish procedures to restrict users to only those functions necessary for their assigned job duties. Additionally, a Standard Operating Procedure (SOP) to identify role-specific job duties is in development.
2019-013	Unemployment Insurance (UI) CFDA No. 17.225	FDEO expenditures charged to the UI program were not always incurred during the authorized period of performance.	Fully Corrected	FDEO completed the move of these expenditures on February 28, 2020. In addition, FDEO updated its processes to ensure that period of performance is addressed during the life of the federal award and prior to closeout.

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2019-014	Unemployment Insurance (UI) CFDA No. 17.225	The FDEO did not submit the required Federal Financial Reports to the Employment and Training Administration (ETA).	Fully Corrected	FDEO took appropriate steps to validate the data reported on the ETA 227 and worked directly with USDOL National and Regional Office staff to transmit reports. Q4 2018 – submitted 12/13/2019 Q1 2019 – submitted 1/7/2020 Q2 2019 – submitted 1/24/2020 Q3 2019 – submitted 1/30/2020 Q4 2019 – submitted 1/31/2020 Q1 2020 – submitted 4/29/2020 Q2 2020 – due for submission 8/1/2020; hasn't been submitted yet due to technical issues