

**Six Month Status of Corrective Actions:
Auditor General Report No. 2022-189, State of Florida - Compliance and Internal Controls
Over Financial Reporting & Federal Awards for the Department of Economic Opportunity**

September 2, 2022

<u>Finding No(s). (1)</u>	<u>Program/Area</u>	<u>Brief Description</u>	<u>Status of Finding</u>	<u>Comments</u> (If not fully corrected)
2021-002 2020-003	Business-Type Activities and Reemployment Assistance Fund Receivables, net; Operating Revenues – Other; Net Position – Restricted for Reemployment Assistance	During the first three quarters of the 2020-21 fiscal year, FDEO management continued to bypass a key Reemployment Assistance Claims and Benefits Information System (RA System) internal control, thereby increasing the risk of improper unemployment insurance (UI) benefit payments and undetected material misstatements.	Fully Corrected	
2021-003	Reemployment Assistance Fund Accounts payable and accrued liabilities; Receivables, net; Benefit payments: Grants and donations: Net Position – Prior period adjustment: Net Position – Restricted for Reemployment Assistance: Net Position - Unrestricted	For the 2019-20 and 2020-21 fiscal years, the FDEO did not record all accounts payables, receivables, unemployment insurance (UI) benefits payments, or amounts due from the Federal Government for UI benefit payments compensable by June 20 but paid during the period July 1 through September 30.	Fully Corrected	

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2021-004	Reemployment Assistance Fund Pooled investments with State Treasury; Receivables, net; Grants and donations; Benefit payments.	The FDEO did not record all unemployment insurance (UI) benefits paid and corresponding amounts due from the Federal Government for the 2020-21 fiscal year.	Fully Corrected	
2021-014	Unemployment Insurance (UI) ALN 17.225 Workforce Innovation and Opportunity Act (WIOA) Cluster ALNs 17.258, 17.259, and 17.278	The FDEO did not always timely deactivate the Subrecipient Enterprise Resource Application (SERA) user accounts assigned to employees who separated from FDEO employment.	Fully Corrected	
2021-015	Unemployment Insurance (UI) ALN 17.225 Workforce Innovation and Opportunity Act (WIOA) Cluster ALNs 17.258, 17.259, and 17.278	Certain security controls related to user authentication for the Subrecipient Enterprise Resource Application (SERA) need improvement to ensure the confidentiality, integrity, and availability of SERA data and related information technology (IT) resources.	Fully Corrected	

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2021-016	Unemployment Insurance (UI) ALN 17.225 Workforce Innovation and Opportunity Act (WIOA) Cluster ALNs 17.258, 17.259, and 17.278	Certain security controls related to user authentication for the Employ Florida (EF) system need improvement to ensure the confidentiality, integrity, and availability of EF system data and related information technology (IT) resources.	Partially Corrected	The Department concurs with the finding; however, progress has been made. The Internal Security Unit (ISU) now routes all requests to the Bureau of One-Stop and Program Support (OSPS) for review prior to granting access. OSPS will review all new staff accounts or modifications to staff privileges (both internal and external) and upon approval, will send the recommendation to the ISU for what access and roles are approved. This will allow the program area to better control who has access to certain high-risk areas of Employ Florida and in turn, provide greater data integrity to the system. Proof of routing is available.

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2021-017	Unemployment Insurance (UI) ALN 17.225 Workforce Innovation and Opportunity Act (WIOA) Cluster ALNs 17.258, 17.259, and 17.278	The FDEO did not complete the July through December 2020 Employ Florida (EF) system user access privilege review or always timely deactivate EF system user accounts for employees who separated from FDEO employment.	Partially Corrected	The Department concurs with the finding; however, progress has been made. The Department distributed an electronic checklist to the appropriate business area beginning August 1, 2022. The checklist will be audited on a quarterly basis to review the Employ Florida system access and privileges beginning with the 4 th quarter of 2022. Division leadership will be included in the process workflow to ensure local workforce development board leadership accountability. As of July 8, 2022, the Department has developed training for Employ Florida admin users to ensure they understand the expectations of a timely deactivation of users accounts upon separation from the Department or a Local Workforce Development Board. This training will be incorporated in onboarding and provided online to all Local Workforce Development Boards. Additionally, the Department initiated the Identity and Access Management (IAM) project for all agency applications and will prioritize the Employ Florida system to be addressed early in the project.

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2021-018 2020-008	Unemployment Insurance (UI) ALN 17.225	In our information technology (IT) operational audit report titled <i>Reemployment Assistance Claims and Benefits Information System (CONNECT)</i> , dated March 2021, we noted in Finding 1 that the FDEO continued to lack processes and procedures for identifying, analyzing, and correcting technical system errors and other Reemployment Assistance Claims and Benefit Information System (RA System) defects that prevent or hinder the processing of RA System data. As of June 2021, the FDEO had not corrected the identified deficiencies.	Fully Corrected	

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2021-019 2020-009 2019-006 2018-012 2017-006	Unemployment Insurance (UI) ALN 17.225	In our information technology (IT) operational audit report titled <i>Reemployment Assistance Claims and Benefits Information System (CONNECT)</i> , dated March 2021, we noted in Finding 2 that Reemployment Assistance Claims and Benefits Information System (RA System) application edits for postmark dates and related date sequencing continue to need improvement. As of June 2021, the FDEO had not corrected the identified deficiencies.	Partially Corrected	The Department concurs with the finding; however, progress has been made. The Department continues to work on the two-year Reemployment Assistance Modernization Program, specifically on the Customer Experience/User Experience Mobile-Responsive Software Transformation (CX/UX) project which also includes the Business Process Optimization (BPO) project to promote efficiency and accuracy and develop technical requirements for the CX/UX project. The Department has conducted several workshops since February 2022 and will continue through August 2022. The Department anticipates implementing new claimant-facing screens as part of the CX/UX project by June 2023 and will incrementally implement optimized business processes, including application edits for postmark dates and related date sequencing, through the continuous modernization process beginning in July 2023.

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2021-020 2020-010 2019-008 2018-012 2017-006	Unemployment Insurance (UI) ALN 17.225	In our information technology (IT) operational audit report titled <i>Reemployment Assistance Claims and Benefits Information System (CONNECT)</i> , dated March 2021, we noted in Finding 3 that procedures for document intake, indexing, and tracking processes continue to need improvement to 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 2021, the FDEO had not corrected the identified deficiencies.	Partially Corrected	The Department concurs; however, progress has been made. The Department implemented a new scanning and indexing technology in September 2020. A Standard Operating Procedure (SOP) is being drafted, reviewed, approved, and implemented. The new SOP will outline how to research, confirm receipt, and ensure proper placement of the document through the RA Modernization Programs Business Process Optimization project. SOP draft, review, and approval will be completed by December 2022.

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2021-021 2020-011 2019-010 2018-012 2017-006	Unemployment Insurance (UI) ALN 17.225	In our information technology (IT) operational audit report titled <i>Reemployment Assistance Claims and Benefits Information System (CONNECT)</i> , dated March 2021, we noted in Finding 4 that Reemployment Assistance Claims and Benefits Information System (RA System) processes related to system-generated claim issues continue to need improvement to ensure that claims are accurately and timely processed. As of June 2021, the FDEO had not corrected the identified deficiencies.	Partially Corrected	The Department concurs with the finding; however, progress has been made. The Department continues to utilize the “Reemployment Assistance Work Effort Priority, Release, and Deployment Process,” which establishes procedures for identifying, analyzing, prioritizing, and correcting technical system errors and defects for continuous modernization. Additionally, the Department continues to work on the Reemployment Assistance Modernization Program’s Incremental Customer Experience/User Experience Mobile-Responsive Software Transformation (CX/UX) project which will implement application edit checks to ensure that complete and accurate data are entered in the system, minimizing the creation of incorrect claim issues. This project has an anticipated completion date of June 2023.

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2021-022 2020-012 2019-009 2018-012 2017-006	Unemployment Insurance (UI) ALN 17.225	In our information technology (IT) operational audit report titled <i>Reemployment Assistance Claims and Benefits Information System (CONNECT)</i> , dated March 2021, we noted in Finding 5 that Reemployment Assistance Claims and Benefits Information System (RA System) processes related to the creation and distribution of claimant and employer claim notices continue to need improvement to ensure claim notices are timely distributed. As of June 2021, the FDEO had not corrected the identified deficiencies.	Fully Corrected	

<p>2021-023 2020-013 2019-011 2018-012 2017-006</p>	<p>Unemployment Insurance (UI) ALN 17.225</p>	<p>In our information technology (IT) operational audit report titled <i>Reemployment Assistance Claims and Benefits Information System (CONNECT)</i>, dated March 2021, we noted in Finding 6 that processing defects related to claimant benefit payments, claimant overpayments, and employer charges still exist in the Reemployment Assistance Claims and Benefits Information System (RA System). As of June 2021, the FDEO had not corrected the identified deficiencies.</p>	<p>Partially Corrected</p>	<p>The Department concurs with the finding; however, progress has been made. In February 2022, the Department held the first of several Business Process Optimization workshops to identify and analyze existing business processes and technical requirements. These workshops will be conducted through August 2022 to support the development of target state business processes and technical requirements.</p> <p>The Department anticipates implementing the CX/UX project in four phases, which are anticipated to be completed as follows: Core Claims and Claim Status by March 2023, Continued Claims by April 2023, Employers and Third-Party Administrators by May 2023, and Initial Claims by June 2023.</p> <p>Application design documentation and development processes will be resolved through the System Development Lifecycle (SDLC) - DevOps project. The Department anticipates these projects will be completed in June 2023.</p> <p>Additionally, the Department has implemented the "Reemployment Assistance Work Effort Priority, Release, and Deployment Process," which establishes procedures for identifying, analyzing, prioritizing, and correcting technical system errors and defects for continuous modernization. The Department anticipates developing requirements to address any remaining components of this finding beginning in July 2023 against the newly implemented business processes and modernized Reemployment Assistance Claims and Benefits Information System.</p>
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2021-024 2020-014 2019-007 2018-012 2017-006	Unemployment Insurance (UI) ALN 17.225	In our information technology (IT) operational audit report titled <i>Reemployment Assistance Claims and Benefits Information System (CONNECT)</i> , dated March 2021, we noted in Finding 7 that language translations for Reemployment Assistance Claims and Benefits Information System (RA System) claimant communications continue to need improvement. As of June 2021, the FDEO had not corrected the identified deficiencies.	Partially corrected	The Department concurs with the finding ; however, progress has been made. The Department continues to prioritize the improvement of language translations within the Reemployment Assistance Claims and Benefits Information System. As the Department continues to address and correct this finding, it is actively providing alternate pathways to assist Limited English Proficient (LEP) speaking claimants, The Department continues to enhance the Reemployment Help Center to assist claimants with self-help regarding their Reemployment Assistance claim and this is available in English, Spanish, and Creole. Additionally, the Department has completed a review of the non-monetary determinations it issues to ensure they are in plain language for the claimant’s understanding and the Department is prioritizing the translations of these determinations to Spanish and Creole.

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2021-025 2020-015	Unemployment Insurance (UI) ALN 17.225	In our information technology (IT) operational audit report titled <i>Reemployment Assistance Claims and Benefits Information System (CONNECT)</i> , dated March 2021, we noted in Finding 9 that FDEO password controls for RA System claimants continue to need improvement to ensure the confidentiality, integrity, and availability of Reemployment Assistance Claims and Benefits Information System (RA System) data and related IT resources. As of June 2021, the FDEO had not corrected the identified deficiencies.	Fully Corrected	

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2021-026 2020-016	Unemployment Insurance (UI) ALN 17.225	In our information technology (IT) operational audit report titled <i>Reemployment Assistance Claims and Benefits Information System (CONNECT)</i> , dated March 2021, we noted in Finding 10 that FDEO change management controls continue to need improvement to ensure that only authorized, tested, and approved Reemployment Assistance Claims and Benefits Information System (RA System) program code and data changes are implemented into the production environment. As of June 2021, the FDEO had not corrected the identified deficiencies.	Fully Corrected	

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2021-027 2020-017	Unemployment Insurance (UI) ALN 17.225	In our information technology (IT) operational audit report titled <i>Reemployment Assistance Claims and Benefits Information System (CONNECT)</i> , dated March 2021, we noted in Finding 11 that the reports used by the FDEO to conduct periodic Reemployment Assistance Claims and Benefits Information System (RA System) user access privilege reviews did not promote an effective review of all user accounts as the reports included information that was inaccurate and did not match RA System access records. As of June 2021, the FDEO had not corrected the identified deficiencies.	Fully Corrected	

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2021-028 2020-018 2019-012 2018-012 2017-006	Unemployment Insurance (UI) ALN 17.225	In our information technology (IT) operational audit report titled <i>Reemployment Assistance Claims and Benefits Information System (CONNECT)</i> , dated March 2021, we noted in Finding 12 that some Reemployment Assistance Claims and Benefits Information System (RA System) users had inappropriate and unnecessary access privileges to high-risk functions. As of June 2021, the FDEO had not corrected the identified deficiencies.	Partially Corrected	The Department concurs with the finding; however, progress has been made. The Department drafted the standard Roles Matrix, and it has been reviewed by the business area's Subject Matter Experts. This new role matrix will be incorporated into the Universal Security Officers Guide (USOG), which provides internal security officers a standard access reference. Additionally, the Internal Security Unit team is conducting a thorough review as part of their Semi-Annual review for all Reemployment Assistance Claims and Information Benefits system users to be completed by the end of August 2022. The Roles Matrix and Universal Security Guide updates are anticipated to be completed by December 2022.
2021-029 2020-019	Unemployment Insurance (UI) ALN 17.225	In our information technology (IT) operational audit report titled <i>Reemployment Assistance Claims and Benefits Information System (CONNECT)</i> , dated March 2021, we noted in Finding 13 that Reemployment Assistance Claims and Benefits Information System (RA System) user accounts were not always promptly deactivated when access was no longer required. As of June 2021, the FDEO had not corrected the identified deficiencies.	Partially Corrected	The Department concurs with the finding; however, progress has been made. The Department continues to work on the Reemployment Assistance Modernization Program, including the Identity Management and User Authentication project which will result in reducing the time to deactivate an employee upon separation. To support this effort, the Department cataloged and is in the process of refining all employee user roles and preparing a procurement for software that will enable role-based access control for the RA System. These projects are anticipated to be completed in June 2023.

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2021-030 2020-020	Unemployment Insurance (UI) ALN 17.225	In our information technology (IT) operational audit report titled <i>Reemployment Assistance Claims and Benefits Information System (CONNECT)</i> , dated March 2021, we noted in Finding 14 that certain security controls related to logical access, user authentication, and logging and monitoring for the Reemployment Assistance Claims and Benefits Information System (RA System) data and related IT resources continue to need improvement to ensure the confidentiality, integrity, and availability of RA System data and related IT resources. As of June 2021, the FDEO had not corrected the identified deficiencies.	Partially Corrected	The Department concurs with the finding; however, progress has been made. The Department continues to focus on the Reemployment Assistance Claims and Benefits Information System (System) security through the Identity Management and User Authentication (IAM) project, which includes front-end identity verification, developing policies and implementing processes to strengthen access control, and monitoring System access. To support this effort, the Department cataloged and is in the process of refining all employee user roles and preparing a procurement for software that will enable role-based access control for the RA System. Additionally, the Security Architecture Review project that began in April 2022 includes analyzing the System's application, platform, operations, and development processes, and providing the Department with specifications to improve System security. These projects are anticipated to be completed in June 2023.
2021-031	Unemployment Insurance (UI) ALN 17.225	FDEO expenditures charged to the UI program were not always incurred during the authorized period of performance or timely liquidated.	Fully Corrected	

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2021-032	Unemployment Insurance (UI) ALN 17.225	The FDEO did not maintain records to support the amounts reported in Federal Performance Reports submitted to the Employment and Training Administration (ETA).	Fully Corrected	
2021-033	Unemployment Insurance (UI) ALN 17.225	The FDEO did not correctly report year-to-date values on the Employment and Training Administration (ETA) 2208A, Quarterly UI Above-Base Report.	Fully Corrected	
2021-034 2020-021	Unemployment Insurance (UI) ALN 17.225	The FDEO could not provide accurate data for the period July 2020 through June 2021 demonstrating that UI benefit overpayments were properly identified and handled in accordance with applicable requirements or that debts resulting from overpayments were appropriately offset.	Partially Corrected	The Department concurs with the finding; however, progress has been made. The Department's System development was completed in May 2022 to align the Federal Pandemic Unemployment Compensation program with the guidance provided in Unemployment Insurance Program Letters (UIPL) 20-21, change 1. Claimant overpayment data processing is continuing to be conducted. The Department anticipates being able to provide complete overpayment data once the integration and processing effort is finalized in August 2022. The Department will continue to work with the Auditor General and the US Department of Labor to ensure compliance.

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2021-035 2020-022	Unemployment Insurance (UI) ALN 17.225	The FDEO did not always ensure or timely ensure that UI claimants complied with the participation requirements of the RESEA program.	Partially Corrected	<p>The Department concurs with the finding; however, progress has been made. The data exchange between Employ Florida and the Reemployment Assistance Claims and Benefits Information System has been resolved and has not been an issue since August 2020. The Reemployment Assistance Modernization Program's Service Oriented Architecture/Application Programming Interfaces (SOA/API) project will ensure that these connections are stable in the future.</p> <p>To promote timely adjudication, the Department continues its efforts to increase staffing resources and provide comprehensive training to both newly hired and tenured adjudicators. In addition, the Department contracted with a vendor to assist with fact-finding for claims adjudication which has expedited backlog resolution.</p>
2021-039	Workforce Innovation and Opportunity Act (WIOA) Cluster ALN 17.258, 17.259, and 17.278	The FDEO did not perform subrecipient monitoring to ensure compliance with WIOA nondiscrimination, disability, and equal opportunity requirements.	Fully Corrected	