



FLORIDA DEPARTMENT of

management SERVICES

We serve those who serve Florida

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Nick Scott, Governor

Craig J. Nichols, Agency Secretary

October 14, 2014

Craig Nichols
Agency Secretary
Department of Management Services
4050 Esplanade Way
Tallahassee, FL 32399-0950

Dear Mr. Nichols:

In accordance with section 20.055, Florida Statutes, the attached document represents our explanation of the six-month status of findings and recommendations included in the AG published Report No. 2014-184, ***Payroll and Personnel Processes at Selected Agencies***.

The findings and recommendations in this summary appear in the same order as they appeared in the report.

If further information is needed concerning our response, please do not hesitate to contact me.

Sincerely,

Walter Sachs
Inspector General

WS:yvl

Attachment

cc: Stacy Arias, Deputy Secretary, Business Operations
Debra Forbess, Director of Administration
Yolanda Lockett, Audit Director
Melinda Miguel, Chief Inspector General
David W. Martin, Auditor General
Joint Legislative Auditing Committee

Audit Status Report Update Form

Status Date	Report No.	Report Title	
10/10/2014	2014-184	DMS, Payroll and Personnel Processes At Selected State Agencies	
Contact Person	Program/Process	Phone No.	
Kelly McMullen/Brett Shively	Payroll	487-0950	
Activity	Accountability	Schedule	
	Responsible Unit	Repeat Finding	Anticipated Completion Date
	Bureau of Financial Management Services and Human Resources	No	4-Apr-14
Finding			
No.	1 Unused Leave Payouts		
Date	04/03/2014		
Recommendation	We recommend that State agency management ensure that appropriate records are maintained to demonstrate that all leave payments are properly authorized and accurately calculated and that leave audits are appropriately performed and documented for all employee leave payouts.		
Original Response	Future leave payout audits will be prepared by Human Resources and delivered to the Payroll Coordinator in Financial Management Services (FMS) prior to the payout being processed. The appropriate records, along with the leave payout, will be properly documented and maintained by FMS.		
Status Update-09/10/14			
<input type="checkbox"/> Open <input type="checkbox"/> Management assumes risk <input type="checkbox"/> Partially Complete <input type="checkbox"/> Complete pending <input checked="" type="checkbox"/> Complete			
Status Update-12/20/14			
<input type="checkbox"/> Open <input type="checkbox"/> Management assumes risk <input type="checkbox"/> Partially Complete <input type="checkbox"/> Complete pending <input type="checkbox"/> Complete			
Status Update-10/10/14			
<input type="checkbox"/> Open <input type="checkbox"/> Management assumes risk <input type="checkbox"/> Partially Complete <input type="checkbox"/> Complete pending <input type="checkbox"/> Complete			

Audit Status Report Update Form

Status Date	Report No.	Report Title	
10/10/2014	2014-184	DMS, Payroll and Personnel Processes At Selected State Agencies	
Contact Person	Program/Process	Phone No.	
Brett Shively	Human Resources Procedures	921-0522	
Activity	Accountability	Schedule	
	Responsible Unit	Repeat Finding	Anticipated Completion Date
	Human Resources	No	4-Apr-14
Finding			
No.	2	Dual Employment Policies and Procedures	
Date	4/3/2014		
Recommendation	We recommend that State agency management establish appropriate procedures that provide for the proper submittal and approval of dual employment requests. Additionally, we recommend that State agencies utilize available dual employment reports to ensure that the dual employment activities of all applicable personnel have received appropriate consideration in accordance with State law, DMS rules, and other guidelines.		
Original Response	Communicating an annual reminder and through New Employee Orientation, Human Resources (HR) will ensure DMS Policy and Procedures (HR 01-112) are followed to provide for the proper submittal and approval of dual employment requests. In conjunction with DMS legal team, HR will also use the available dual employment reports to ensure that dual employment activities of all applicable personnel have received appropriate consideration in accordance with State law, DMS rules, and other guidelines.		
Status Update-6mo			
<input type="checkbox"/> Open <input type="checkbox"/> Management assumes risk <input type="checkbox"/> Partially Complete <input type="checkbox"/> Complete pending <input checked="" type="checkbox"/> Complete			
Status Update-12mo			
<input type="checkbox"/> Open <input type="checkbox"/> Management assumes risk <input type="checkbox"/> Partially Complete <input type="checkbox"/> Complete pending <input type="checkbox"/> Complete			
Status Update-18mo			
<input type="checkbox"/> Open <input type="checkbox"/> Management assumes risk <input type="checkbox"/> Partially Complete <input type="checkbox"/> Complete pending <input type="checkbox"/> Complete			

Audit Status Report Update Form

Status Date	Report No.	Report Title	
10/10/2014	2014-184	DMS, Payroll and Personnel Processes At Selected State Agencies	
Contact Person	Program/Process	Phone No.	
Kelly McMullen	Payroll	487-0950	
Activity	Accountability	Schedule	
	Responsible Unit	Repeat Finding	Anticipated Completion Date
	Financial Management Services	No	4-Apr-14
Finding			
No.	3	Recovery of Deductions for Canceled Salary Payment	
Date	4/3/2014		
Recommendation	<p>We recommend that the DFS provide specific guidance to State agencies regarding the methods available to prevent overpayments of miscellaneous post-tax deductions related to salary payment reissuances. Additionally, we recommend that the DACS, DCF, and DOC establish policies and procedures regarding salary payment cancellations and reissuances and the recovery of overpayments from third parties and that the DMS update its policies and procedures to address monitoring the recovery of overpayments. We also recommend that State agencies take appropriate steps to ensure the timely recovery of overpayments of State funds.</p>		
Original Response	<p>DMS has updated the payment cancellation procedures to address monitoring the recovery of overpayments.</p>		
Status Update-0100	<input type="checkbox"/> Open <input type="checkbox"/> Management assumes risk <input type="checkbox"/> Partially Complete <input type="checkbox"/> Complete pending <input checked="" type="checkbox"/> Complete		
Status Update-1100	<input type="checkbox"/> Open <input type="checkbox"/> Management assumes risk <input type="checkbox"/> Partially Complete <input type="checkbox"/> Complete pending <input type="checkbox"/> Complete		
Status Update-1800	<input type="checkbox"/> Open <input type="checkbox"/> Management assumes risk <input type="checkbox"/> Partially Complete <input type="checkbox"/> Complete pending <input type="checkbox"/> Complete		