



REPRESENTING  
**ALEX SINK**  
CHIEF FINANCIAL OFFICER  
STATE OF FLORIDA

October 9, 2007

Mr. Walter A. McNeil, Secretary  
Department of Juvenile Justice  
Knight Building  
2737 Centerview Drive  
Tallahassee, Florida 32399-3100

Dear Secretary McNeil:

We completed an audit of the Department of Juvenile Justice (DJJ) payroll related processes as authorized by Section 17.04, Florida Statutes. The audit encompassed the period July 1, 2006 through January 31, 2007. The audit objectives were to determine whether:

- Payroll processing internal controls are adequate and may be relied upon to produce accurate payroll records;
- Leave without pay is processed in accordance with State rules and agency policy;
- On-call payments are paid in accordance with State rules and agency policy; and
- Salary additives are in compliance with State rules and regulations.

In planning and performing our audit, we analyzed reports for the various DJJ payroll functions listed above, tested payroll transactions for the period under review and interviewed payroll staff. All deficiencies found during our audit were corrected or are in the process of being corrected. Below is a summary of findings and corrective actions taken:

**New Hires:** We reviewed the files of sixty newly hired employees for the Department of Juvenile Justice. One employee is currently not participating in the Direct Deposit Program. The agency has notified the employee to initiate actions to participate in the Direct Deposit Program.

**Terminations:** We reviewed the files of forty-five employees who terminated from DJJ. One employee received an incorrect salary payment upon termination resulting in an overpayment totaling \$29. The agency has notified the terminated employee of the salary overpayment and collection efforts have been initiated.

FLORIDA DEPARTMENT OF FINANCIAL SERVICES  
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**Criminal Justice Incentive Program (CJIP):** We reviewed the files of eight employees who received CJIP supplemental payments. CJIP supplemental payments were incorrect for two employees resulting in underpayments totaling \$810 and overpayments totaling \$720. The agency is in the process of reimbursing the employee for the underpayments and collection efforts have been initiated for the overpayments.

**Leave Without Pay (LWOP):** We reviewed the files of forty-eight employees from DJJ in LWOP status. Thirteen of the forty-eight employees received incorrect salary payments. This resulted in overpayments totaling \$27,386. DJJ has recouped overpayments from three employees and is in the process of recouping the overpayments of the remaining ten.

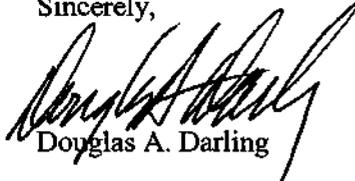
**Retro Active Payments:** We reviewed the files of eighteen employees from DJJ who received retroactive adjustments for salary underpayments. Adjustments were incorrect for four employees resulting in overpayments totaling \$3,094. DJJ has recouped overpayments from one of the four employees and has initiated corrective actions to recoup the overpayments of the remaining three employees.

**Salary Overpayments (Material finding):** We reviewed collection letters of eighty-two DJJ employees who incurred salary overpayments totaling \$62,781. In most instances, salary overpayments were due to timesheet submission errors, employee separations not being timely processed, and salary payments not processed correctly. We found that of the eighty-two employees who received collections letters, fifty-two employees were from the agency's Detention program. The agency has collected or is in the process of collecting the salary overpayments incurred. We note that DJJ management has implemented procedures to track and prevent future salary overpayments from occurring.

It is our opinion, within the scope of this audit, that the Department of Juvenile Justice has adequate payroll procedures and controls in place.

We appreciate your staff's support and cooperation. The Bureau of State Payrolls staff is available for any future payroll guidance and/or training at your request. Please contact John Bennett, Bureau Chief of State Payrolls at (850) 413-5609, Suncom 293-5609 or [john.bennett@fldfs.com](mailto:john.bennett@fldfs.com) if you have any questions.

Sincerely,



Douglas A. Darling

DAD/ct

cc: Mr. David W. Martin, Auditor General

Ms. Mary Eubanks, Inspector General  
Department of Juvenile Justice

Mr. John Bennett, Chief  
Bureau of State Payrolls