



CHIEF FINANCIAL OFFICER
JEFF ATWATER
STATE OF FLORIDA

April 12, 2011

Ms. Cynthia R. Lorenzo, Director
Agency for Workforce Innovation
107 East Madison Street
Caldwell Building
Tallahassee, Florida 32399-4120

Dear Ms. Lorenzo:

We completed an audit of the Agency for Workforce Innovation (AWI) payroll related processes as authorized by Section 17.04, Florida Statutes. The audit encompassed the period December 31, 2009, through June 30, 2010. 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 payroll functions listed above, tested payroll transactions for the period under review, and interviewed payroll staff. All deficiencies found during our audit were corrected. Below is a summary of findings and corrective actions initiated:

- **Terminated Employees:** We reviewed the files of thirty-one (31) employees who terminated from AWI. We could not substantiate the final hours worked by one employee who terminated. AWI has provided supporting documentation validating the final hours of the employee.
- **Leave Payouts:** We reviewed the files of twenty-five (25) employees who received Annual leave payments; twenty two (22) employees who received Special Compensatory leave payments; fifteen (15) employees who received Regular Compensatory leave payments in lieu of overtime; and twenty-five (25) employees who received Sick leave payments from AWI. Leave payments were incorrect for two employees resulting

FLORIDA DEPARTMENT OF FINANCIAL SERVICES

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in a gross overpayment totaling \$108 and a gross underpayment totaling \$302. AWI has recouped the overpayment from the employee and has reimbursed the other employee for the underpayment.

- **Leave Without Pay:** We reviewed the files of twenty-five (25) employees in leave without pay (LWOP) status for AWI. Salary deductions were incorrect for one employee resulting in a gross underpayment totaling \$46. AWI has reimbursed the employee for the underpayment.

It is our opinion that, within the scope of this audit, the Agency for Workforce Innovation has conformed to applicable laws, rules and regulations governing State personnel policies and has adequate internal control measures in place for payroll procedures and processing.

We appreciate your staff's support and cooperation. We commend your staff for the professional and courteous manner in which they assisted with the audit. 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, or john.bennett@myfloridacfo.com if you have any questions.

Sincerely,

Christina Smith

Christina Smith

CS/sa

cc: Mr. David W Martin, CPA
Auditor General

James F. Mathews, Inspector General
Agency for Workforce Innovation

Mr. John Bennett, Chief
Bureau of State Payrolls