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## QUALITY ASSURANCE REVIEW FINDINGS REPORT NO.: 2024 QAR-03

### Underage Employees

The Department of Financial Services (DFS) Post Audit Subsection has completed a limited scope review of W-4 records to ensure that agencies adhere to Fair Labor Standards Act (FLSA) guidelines, and that no payments have been made to employees that do not meet FLSA minimum age requirements.

#### Purpose

To determine whether state agencies have employed or paid someone who does not meet age requirements set forth by the Federal Department of Labor's FLSA, or to inform agencies of incorrect employee information needing correction(s).

#### Scope

A review of all W-4 files and employees with birthdates greater than or equal to March 1<sup>st</sup>, 2010.

#### Background

The Fair Labor Standards Act (FLSA) sets 14 years of age as the minimum for most non-agricultural work and limits the number of working hours of minors under the age of 16 years old. Many states have also enacted child labor laws, some of which may have a minimum age for employment which is higher than the FLSA. Where both the FLSA and state child labor laws apply, the higher minimum standard must be obeyed.

In the State of Florida, employment or age certificates are not required, however, employers of any minor must obtain and keep on record, proof of the child's age.

#### Methodology

When planning and performing the review, DFS Post Audit Subsection reviewed the data pulled from the W-4 file within the Information Warehouse, for employees with birthdates less than or equal to March 1<sup>st</sup>, 2010. Attempts were made to confirm the employees' dates of birth (DOB) in People First by cross referencing the Social Security Numbers (SSN's) within People First and using available public records. Next, a review of when the employees were last issued a payment via PYRL, as well as any payroll adjustments to the employees' record.

#### Conclusions

The data presented 8 individuals which had findings in one of two categories: Incorrect SSN or Incorrect DOB.

As of March 1<sup>st</sup>, 2024, at least one finding was included for each of the following five agencies:

OLO	Last Warrant Date	PYRL DOB	Age in PYRL	People First DOB	Age in People First	Term Date
210000	2/29/24	1/14/24	0 Yrs, 1 Mths, 13 Days	1/14/24	0 Yrs, 1 Mths, 13 Days	Employed
370000	6/17/22	3/18/22	1 Yrs, 11 Mths, 9 Days	8/8/97	26 Yrs, 6 Mths, 19 Days	5/30/22
370000	7/1/22	8/1/17	6 Yrs, 6 Mths, 26 Days	3/19/02	21 Yrs, 11 Mths, 8 Days	6/10/22
370000	10/31/23	6/16/23	0 Yrs, 8 Mths, 11 Days	6/16/23	0 Yrs, 8 Mths, 11 Days	10/10/23
420000	7/10/23	11/7/22	1 Yrs, 3 Mths, 20 Days	12/21/81	42 Yrs, 2 Mths, 6 Days	6/2/23
640000	12/3/21	10/5/21	2 Yrs, 4 Mths, 22 Days	10/5/21	2 Yrs, 4 Mths, 22 Days	11/16/21
700000	2/23/24	2/9/24	0 Yrs, 0 Mths, 18 Days	2/9/24	0 Yrs, 0 Mths, 18 Days	2/14/24

### Justice Administration Commission – JAC (OLO 2100)

There was 1 **current employee** discovered to have an incorrect DOB in both People First and PYRL. The agency was made aware of the finding and subsequently updated the DOB in PF before payroll processing and the W-4 record was then updated in PYRL systematically.

### Department of Environmental Protection – DEP (OLO 3700)

During our review, the BOSP Post Audit team documented 3 findings. 2 of these 3 findings were attributed to the agency onboarding employees with incorrect SSN's. The agency has corrected both SSN's and DOBs in People First and PYRL (systematically). A manual update was completed for the other DOB in PYRL as the W4 record will remain due to a payment being made under the incorrect SSN. An adjustment was made to the employee's record to move the payment to the correct SSN.

The remaining finding was for an employee whose DOB was incorrect, but the employee terminated after 1 day. DEP was made aware of the finding and subsequently updated the DOB in PF. The DOB was manually corrected in PYRL by BOSP since the update of this field does not initiate a systematic update.

### Department of Agriculture & Consumer Services – DOACS (OLO 4200)

The BOSP Post Audit team documented 1 finding for the Department of Agriculture & Consumer Services. This employee's SSN was entered incorrectly upon onboarding the employee. The agency has corrected the SSN and DOB in People First. BOSP manually updated the DOB for the incorrect SSN record in PYRL, no payments were made to the incorrect SSN.

### Department of Health – DOH (OLO 6400)

There was 1 former employee discovered to have an incorrect DOB in both People First and PYRL. The employee was onboarded with an incorrect DOB in People First. The agency was made aware of the finding and subsequently updated the DOB in PF. The DOB was manually corrected in PYRL by BOSP since the update of this field does not initiate a systematic update.

### Department of Corrections – DOC (OLO 7000)

During our review, the BOSP Post Audit team documented 1 finding for the Department of Corrections. It appears the incorrect DOB is the employee's hire date of 2/9/2024. The agency was made aware of the finding and subsequently updated the DOB in PF. The DOB was manually corrected in PYRL by BOSP since the update of this field does not initiate a systematic update.

## Recommendations

Agencies should ensure that records are entered accurately and timely when initially entering employees' personal information into People First upon onboarding. When an error is discovered, it should be corrected so the payments can be attributed accurately, further preventing errors that potentially have tax implications in future years. When payments are made using inaccurate data, records may permanently reflect those inaccuracies, even when corrections are made, such as when a payment is made to an incorrect SSN.