



CHIEF FINANCIAL OFFICER  
STATE OF FLORIDA

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## QUALITY ASSURANCE REVIEW FINDINGS REPORT NO.: 2025 QAR-01

### State Agency Payroll Compliance

The Bureau of State Payrolls (BOSP) Post Audit Subsection has completed its review of the 2025 Calendar Year Payroll Compliance Checklists that were received through February 28th, 2025.

#### PURPOSE

To ensure all agencies are following the applicable guidelines governing the payroll process.

#### SCOPE

Pursuant to Agency Addressed Memo #07, 2022-23, all state agencies are required to complete the payroll compliance checklist and submit the form to the Department of Financial Services (DFS) no later than January 31<sup>st</sup>, annually.

#### BACKGROUND

DFS is responsible for processing payrolls for all state agencies. This annual review process was developed to provide DFS with reasonable assurances that agencies are presenting accurate and reliable information to the Bureau of State Payrolls (BOSP) for payroll processing. It requests information about payroll staff, established procedures, timeliness, compliance, and personnel.

#### METHODOLOGY

A Compliance Checklist must be completed no later than January 31<sup>st</sup>, annually. BOSP Post Audit gives agencies a 2-week grace period to allow for later forms to come over, and then an *Out of Compliance* email is sent to remaining agencies giving them 1 week to respond.

#### CONCLUSIONS

BOSP Post Audit initially received and reviewed compliance checklists from 24 of 35 agencies who provided their annual compliance checklists to our office before the date noted on the form, January 31<sup>st</sup>.

Emails were sent post January deadline, on February 7<sup>th</sup>, 2025, to notify the remaining 11 agencies that they were *Out of Compliance*. Ten of those remaining 11 agencies then responded with their completed forms, bringing the total forms received to 34 of the 35 agencies (97.1%). The Agency for Persons with Disabilities (APD) did not provide a required checklist, nor respond to requests for the completed form and should be considered *Out of compliance*.

Five agencies have notified BOSP that they **do not have documented hardship waivers on file for any employee not participating in Direct Deposit and/or cannot provide the documentation upon request.** Those agencies are as follows:

- Executive Office of the Governor, Division of Emergency Management
- Department of Environmental Protection
- Department of Military Affairs
- Department of Management Services
- Department of Juvenile Justice

Four of the agencies that BOSP Post Audit received responses from, did not provide the **number of agency staff positions dedicated to Payroll** for the previous calendar year, those agencies are as follows:

- Executive Office of the Governor
- Department of Commerce
- Department of State
- Florida Commission on Offender Review

In 2022, three questions were added to the Compliance checklist.

1. *Our agency has established procedures to ensure all corrections that affect employee payroll records are provided to the Bureau of State Payrolls and can provide the procedures upon request.*

Only one agency left this answer blank, the Florida Fish and Wildlife Conservation Commission

All the remaining agencies indicated that they do have established procedures.

2. *Our agency employs or intends to hire someone that qualifies for Non-Resident Alien status on their Form W-4 and has provided the necessary supporting documentation listed within the Payroll Preparation Manual, to the BOSP Taxation and Reconciliation section.*

Two agencies left this answer blank, those agencies are as follows:

- Department of Administrative Hearings
- Florida Fish and Wildlife Conservation Commission

Five of the remaining agencies indicated that they do not have, nor do they intend to hire someone that qualifies for Non-Resident Alien status, those agencies are as follows:

- Executive Office of the Governor, Division of Emergency Management
- Florida School of the Deaf & Blind
- Department of Citrus
- Public Service Commission
- Department of Military Affairs

3. *Our agency has made reasonable efforts to establish a consistent commitment to continuing education by encouraging employees to attend a DFS provided quarterly Payroll Fundamentals training on an annual basis.*

Only one agency of those providing a response, left this answer blank:

- Florida Fish and Wildlife Conservation Commission

All of the remaining agencies with responses indicated that they have made reasonable efforts to commit to continuing education Payroll Fundamentals training provided by DFS.

One agency, the Justice Administrative Commission (JAC), indicated that they do not properly or consistently monitor cash and budget amounts prior to payroll processing to ensure payrolls do not result in any negative balances. They provided the following additional comments:

*“The Justice Administrative Commission (JAC) and the Judicial-Related Offices we administratively serve are not part of the State Personnel System. Accordingly, many of our processes appear to be beyond the scope of this reporting requirement. Nonetheless, JAC Payroll works closely with the BOSP (and other entities) to ensure that appropriate safeguards are in place to ensure the appropriate expenditure of taxpayer funds. “*

The department of Citrus left this checklist item blank.

## RECOMMENDATIONS

The Compliance Checklist must be completed annually and submitted no later than January 31<sup>st</sup>. The most up to date *DFS-A3-2166 - State Agency Payroll Compliance Checklist* form can always be found in the Bureau of State Payrolls forms library under “Administrative Forms “: <https://www.myfloridacfo.com/division/aa/forms>

Agencies should ensure that all Payroll Compliance Checklists are completed fully, accurately, and timely. Completing this form annually may bring attention to a deficiency that an agency or BOSP was not previously aware of, and as such, gives them an opportunity to correct known issues or strengthen perceived areas of weakness. Because the Payroll Compliance Checklist is designed to confirm that agencies are completing necessary tasks, any agency indicating they are not in compliance should take corrective action to comply as soon as possible.

2025 Compliance Checklist				Established Procedures for:				Timeliness:			In Compliance with:		Agency Provided Info:		Our agency has established procedures to ensure all corrections that affect employee payroll records are provided to the Bureau of State Payrolls and can provide the procedures upon request.	Our agency employs or intends to hire someone that qualifies for Non-Resident Alien status on their Form W-4 & has provided necessary supporting documentation listed in the PPM, to BOSP Taxation & Reconciliation.	Our agency has made reasonable efforts to establish a consistent commitment to continuing education by encouraging employees to attend a DFS Payroll Fundamentals training on an annual basis.
Agency	Payroll Positions	Received?	Date	Internal Controls for PYRL processing?	Detection & correction of PYRL related errors?	Timely Employee Timesheet Approval?	Ensuring corrections affecting payroll are provided to BOSP?	Removal of separated employees?	Routine review of PYRL System Access?	Routinely Monitor Cash/Budget before PYRL processing?	PPM, FAC, & Applicable Laws?	PPM Guidelines: Salary Overpayments? (Vol 5, Sec 6)	for Retro, On-Demand, & Supp. Pay?	Hardship Waivers for EFT non participants?			
LEG	3	✓	2/7/25	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
JAC	6	✓	2/4/25	✓	✓	✓	✓	✓	✓	✗	✓	✓	✓	✓	✓	✓	✓
SCS	10	✓	2/7/25	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
EOG	(Blank)	✓	1/21/25	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
EOG-	3	✓	1/28/25	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✗	✓	✗	✓
DOL	3	✓	1/9/25	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
DEP	5	✓	1/15/25	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✗	✓	✓	✓
COM	(Blank)	✓	2/10/25	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
DLA	3	✓	1/30/25	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
FGCC	7	✓	1/31/25	✓	✓	✓	✓	✓	✗	✓	✓	✓	✓	✓	✓	✓	✓
ACS	3	✓	1/13/25	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
DFS	1	✓	1/28/25	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
DOS	(Blank)	✓	1/31/25	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
DOE	3	✓	1/6/25	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
SDB	2	✓	1/29/25	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✗	✓
DVA	4	✓	1/15/25	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
DOT	9	✓	1/15/25	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
CIT	1	✓	1/31/25	✓	✓	✓	✓	✓	✓	(Blank)	✓	✓	✓	✓	✓	✗	✓
DCF	12	✓	2/6/25	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
PSC	6	✓	1/9/25	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✗	✓
DMA	4	✓	2/10/25	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✗	✓	✗	✓
DOH	12	✓	1/28/25	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
DOEA	2	✓	1/10/25	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
APD	Agency did not submit a Compliance Checklist and did not respond to multiple follow-up requests for one.																
AHCA	4	✓	1/31/25	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
DOC	11	✓	1/31/25	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
FDLE	3	✓	1/29/25	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
DMS	1	✓	2/3/25	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✗	✓	✓	✓
DOAH	1	✓	2/3/25	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	(Blank)	✓	(Blank)	✓
DOR	10	✓	12/19/24	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
HSMV	3	✓	1/31/25	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
FWC	3	✓	(Blank)	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	(Blank)	(Blank)	(Blank)
FCOR	(Blank)	✓	2/3/25	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
DBPR	4	✓	2/5/25	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
DJJ	6	✓	1/9/25	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✗	✓	✓	✓