



QUALITY ASSURANCE REVIEW FINDINGS REPORT NO.: 2026 QAR-02

December 24-hour Annual Leave Payouts

The Bureau of State Payrolls (BOSP), Post Audit Subsection has completed a review of 2025's December 24-hour Annual Leave (AL) Payouts to eligible career service employees.

Purpose

The objective of the review was to ensure payments made to career service employees were accurate and in accordance with *Florida Administrative Code* (F.A.C.) 60L-34.0041(4)(b) and section 110.219(7), Florida Statute (F.S.), as well as the policy guidelines set forth by the Department of Management Services (DMS).

Scope

All agencies that processed December 24-hour Annual Leave payments during the period beginning December 1, 2025, through December 31, 2025.

Background

According to the above referenced Rule 60L-34.0041(4)(b), F.A.C., and section 110.219(7), F.S., each December an eligible permanent career service employee shall be entitled to, subject to available funds as determined by the agency, a payout of up to 24 hours of unused annual leave. Each of the following criteria provided by the DMS Division of Human Resource Management (HRM) must be used by the agency to confirm eligibility for this payment:

- The employee must have attained permanent status in their current position with the State of Florida, as defined in Rule 60L-33.003(4), F.A.C. to be eligible for payment.
- The employee must have an annual leave balance of at least 24 hours after payout of the requested hours.
- The cumulative payout shall not exceed the lifetime maximum allowed (240 hours) as described in Rule 60L-34.0041(6)(a), F.A.C.

Agencies must submit these payments with earnings code 9108 (Annual Leave), and an appointment status code "CS", on a payroll warrant dated in December. The payments may be submitted via People First or via the On-Demand Payroll System.

For more background information, the most recent DMS policy guidelines for this process can be found here: [24-Hour Annual Leave Payout \[Rev. August 2024\]](#).

Methodology

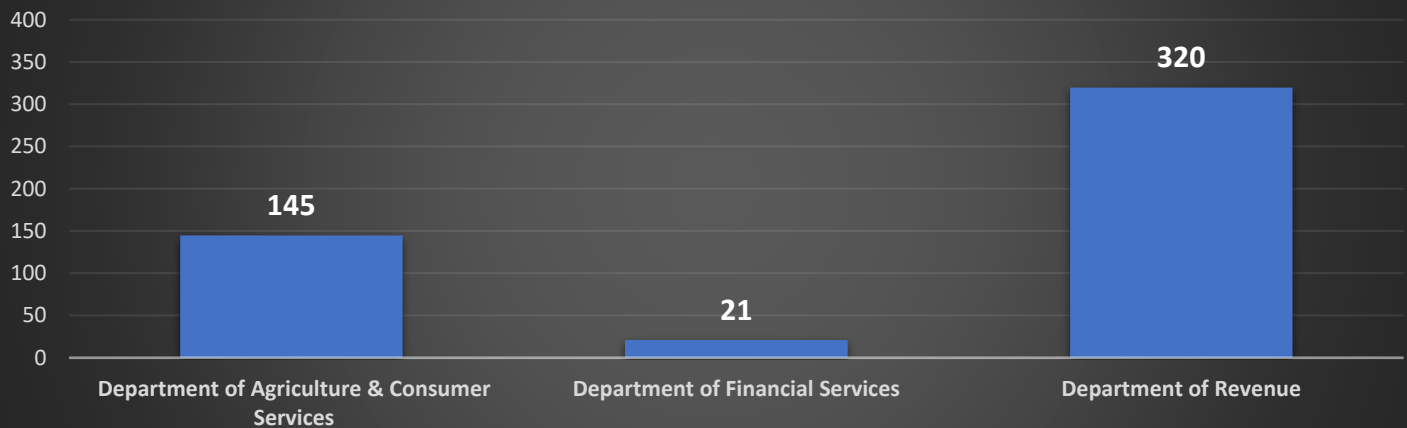
The leave payout data for 2025 was obtained from the salary detail tables within the information warehouse, which details all instances in which agencies used the annual leave payout earnings code (9108), with the special appointment status code of "CS" to indicate payouts to employees. All 497 identified payments to employees were selected for testing.

- Payment calculations and the payout amount for each employee were examined to ensure employees were paid accurate amounts, at the correct hourly rate of pay.
- Annual Leave balances were verified for each employee to ensure each was in accordance with the guidelines prior to and after payments were processed.
- Each employee’s Annual Leave history was reviewed for frequency of payments to ensure the employee had not been paid for more than 240 lifetime hours.
- The employee’s length of service was verified to be at least 12 months of continuous service.
- Job status verification was also performed to ensure each employee was in permanent status, a requirement of eligibility.

2025 December 24-Hour Annual Leave Payouts

OLO	Agency	Participating Employees	Payouts Processed	# of Findings	% of Findings	Payroll Type
4200	Department of Agriculture & Consumer Services	145	145	2	1.38%	Bi-Weekly
4300	Department of Financial Services	21	21	0	0.00%	Monthly
7300	Department of Revenue	320	320	3	0.94%	Monthly
Totals:		486	486	5	1.03%	

Participating Employees, 24-hour AL Payout, Dec. 2025



Number of Findings



Conclusions

Department of Agriculture and Consumer Services – FDACS (OLO 4200)

The BOSP Post Audit team discovered that of the 145 Department of Agriculture and Consumer Services employees reviewed, there were two findings of payments processed to employees that did not meet eligibility requirements per the DMS HRM policy guideline HRM #2024-003. One finding involved an employee in probationary status. The second finding involved an employee who was paid despite not having the required 24 hours after the payment was processed.

Employees on probationary status at the time of payout				
PEOPLE FIRST ID	WARRANT DATE	WARRANT NUMBER	GROSS AMOUNT PAID	AUDITER COMMENTS
****2911	12/08/25	1420711	\$951.84	Probation: 01/17/25 - 01/16/26. Not eligible to receive payout.

Employees without 24 hours of annual leave remaining after the payout							
PEOPLE FIRST ID	HOURS PAID	BEGINNING AL BALANCE	AL USED + PAYOUT HOURS	AL ACCRUED	ENDING AL BALANCE	24+ HOUR BALANCE AFTER AL PAYOUT?	AUDITER COMMENTS
****3446	24	56.000	48.00	6.00	14.000	No	Less than 24 hours remaining after payout was processed.

AGENCY RESPONSE:

*PF#****2911 – An oversight - error on FDACS*

*PF#****3446 – Following DMS’ procedure & FDACS’ guidelines on the form – explanation below.*

*When the 24 hours for payout was processed the timesheet most current pay period approved was PPE 11/20/25 at which time the employee PF#****3446, had 56 AL hours available to use and no further hours were **entered** nor **saved** on the following timesheet until **after** the hours were processed in the PF system for payout. Meaning that, the employee had 32 hours available after processing the leave payout (meeting at least the 24 hours remaining). Because the employee had the hours after processing the leave payout and there were sufficient hours from the most current timesheet approved, we were following DMS’ procedures. Additionally, we were following FDACS’ guidelines/on form (attachment two), which states you must have a balance of at least 48 hours as of November 20, because it is difficult to say after the leave payout, when the most up to date pay period is approved and the following timesheet is not approved until after processing.*

Department of Financial Services – DFS (OLO 4300)

The BOSP Post Audit team reviewed the 21 Department of Financial Services employees that received a 24-hour AL payout. There were no findings for these employees.

Department of Revenue – DOR (OLO 7300)

The BOSP Post Audit team found that of 320 Department of Revenue employees reviewed, three were found to have had a payout while in a probationary status and were ineligible to receive the 24-Hour Annual Leave payout.

Employees on probationary status at the time of payout				
PEOPLE FIRST ID	WARRANT DATE	WARRANT NUMBER	GROSS AMOUNT PAID	AUDITER COMMENTS
***0698	12/08/25	1439097	\$531.84	Probation: 03/21/25 - 01/22/26. Not eligible to receive payout.
***8768	12/08/25	1438979	\$738.24	Probation: 01/15/25 - 01/14/26. Not eligible to receive payout.
***0210	12/08/25	1439054	\$486.96	Probation: 11/21/25 - 11/20/26. Not eligible to receive payout.

AGENCY RESPONSE: *I have reviewed the employee payouts below. As stated, none of these employees should have received the 24-hour leave payout.*

- (PF#***0698) She was paid for 24 hours but did not qualify and did not receive our survey as an eligible employee. She has since separated from the State and is eligible to receive her annual leave upon separation. No action will be taken to recoup the overpayment.*
- (PF#***8768) He was paid 24 hours but did not qualify and did not receive our survey as an eligible employee. We will contact him and recoup the overpayment.*
- (PF#***0210) She received the 24-hour CSP payout. At the time, she was eligible and was included on the mass load sent to DMS on 11/24/2025 correctly. The action to promote her into her current probationary position was also processed on 11/24/2025, after we verified employee eligibility. We will contact her and recoup the overpayment.*

Recommendations

Agencies should ensure that all December 24-hour AL Payouts are accurate and in compliance with:

- *Section 110.219(7), F.S., Attendance and leave; general policies.*
- *Section 110.217(2), F.S., Appointment actions and status.*
- *Rule 60L-33.003(4), F.A.C., Status*
- *Rule 60L-34.0041(4)(b), and (6)(a), F.A.C., Status*

One to two days prior to the processing of Annual Leave payouts, agencies should review [DMS Policy Guideline, HRM #2024-003](#) and verify the employee's pay information for accuracy, and that each employee has met the required criteria to receive the payout, including the following, to be eligible for this type of payment:

- **Verify that the employee has attained permanent status at the time the payout is processed.**
- **Verify that the employee will have an annual leave balance of at least 24 hours after payout.**
- **Verify that the employee has not been paid a lifetime maximum of 240 hours and that the current request will not allow them to exceed the allowable 240 lifetime hours.**

Several issues can arise if an employee receives a promotion or demotion during the time leading up to processing the payment. It can change their permanent status to probationary in which they may not be eligible to receive an Annual Leave payout. It can also affect their pay rate; thus, agencies should be aware of criteria and review and make changes/updates as necessary up until the pay date of the AL payout to ensure all leave payouts are accurate and eligible.

Other considerations include:

- **On-Demand payments processed through PYRL will not update the AL balance in PF, an adjustment will be needed in PF to reduce the AL by the payout amount.**
- **We recommend the use of supplemental payroll payments in lieu of On-Demand payments to ensure the AL balances reflect accurately.**
- **Create a desktop procedure to check AL balances for accuracy after payout.**