

Rick Scott
GOVERNOR



Jesse Panuccio
EXECUTIVE DIRECTOR

September 19, 2014

Mr. Jesse Panuccio, Executive Director
Department of Economic Opportunity
Suite 212, Caldwell Building
107 East Madison Street
Tallahassee, Florida 32399-4120

Dear Director Panuccio:


As required by Section 20.055(5)(h), Florida Statutes, we have prepared the attached status of corrective actions taken by the Department of Economic Opportunity for findings and recommendations contained in Auditor General (AG) Audit Report No. 2014-173, *State of Florida - Compliance and Internal Controls Over Financial Reporting and Federal Awards*, issued on March 31, 2014.

The Department had four findings in this report; all four findings have been fully corrected.

This AG audit is founded in both Florida and federal requirements. The U.S. Office of Management and Budget (OMB) requires an audit of the states' financial statements and major federal awards programs as a condition for receipt of federal funds. Pursuant to Section 11.45, Florida Statutes, the Auditor General conducted this audit for the fiscal year ended June 30, 2013.

In accordance with Section 20.055(5)(h), Florida Statutes, I am copying the Joint Legislative Auditing Committee. If you have any questions, please call me at (850) 245-7141 or Carolyn McGriff, Director of Auditing, at (850) 245-7136.

Sincerely,



James E. Landsberg
Inspector General

JEL/cam

Enclosure

cc: Joint Legislative Auditing Committee
Chad Poppell, Chief of Staff
Melinda Miguel, Chief Inspector General
Carolyn McGriff, Director of Auditing

**DEPARTMENT OF ECONOMIC OPPORTUNITY
SIX MONTH FOLLOW-UP FOR AUDITOR GENERAL REPORT NO. 2014-173
COMPLIANCE AND INTERNAL CONTROLS OVER FINANCIAL REPORTING AND FEDERAL AWARDS
FISCAL YEAR ENDED JUNE 30, 2013**

<u>Finding No(s).</u> (1)	<u>Program/Area</u>	<u>Brief Description</u>	<u>Status of Finding</u>	<u>Comments</u>
2013-013 FA 12-005 FA 11-058 FA 10-005 FA 09-007 FA 08-002 FA 07-006	Community Development Block Grant (CDBG) CFDA Nos. 14.228 and 14.255	The Florida Department of Economic Opportunity (FDEO) did not ensure that adequate information technology security controls had been established for the e-CDBG application.	Fully Corrected	FDEO implemented corrective action in January 2014 by requiring all FDEO staff needing access to the e-CDBG system to sign the Department's Security Agreement Form. The Department's Access Control Policy Number 5.05.02.11 requires all active internal users of FDEO's information resources to complete a Security Agreement Form.
2013-014 FA 12-006	Community Development Block Grant (CDBG) CFDA Nos. 14.228 and 14.255	The FDEO procedures were not sufficient to ensure the results of monitoring visits were timely communicated to subrecipients.	Fully Corrected	FDEO implemented corrective action in January 2014.
2013-046	Low-Income Home Energy Assistance Program (LIHEAP) CFDA No. 93.568	The FDEO did not report applicable LIHEAP subaward data in the Federal Funding Accountability and Transparency Act (FFATA) Subaward Reporting System (FSRS) pursuant to Federal regulations.	Fully Corrected	FDEO implemented corrective action in February 2014.
2013-047	Low-Income Home Energy Assistance Program (LIHEAP) CFDA No. 93.568	LIHEAP program staff did not timely submit monitoring reports to subrecipients.	Fully Corrected	FDEO implemented corrective action in February 2014.