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**Subject:** Status of Corrective Actions - Report No. 2023-174  
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[Six-Month Status \(2023-174\).pdf](#)

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Good afternoon,

Attached is the status of corrective actions related to Auditor General Report Number 2023-174, *State of Florida – Compliance and Internal Controls Over Financial Reporting and Federal Awards for the Florida Department of Economic Opportunity* (March 2023).

Regards,  
Jim

**Jim Landsberg**  
Inspector General

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**SIX MONTH STATUS OF CORRECTIVE ACTIONS FOR AUDITOR GENERAL REPORT NO. 2023-174, STATE OF FLORIDA – COMPLIANCE AND INTERNAL CONTROLS OVER FINANCIAL REPORTING AND FEDERAL AWARDS FOR THE FLORIDA DEPARTMENT OF ECONOMIC OPPORTUNITY (FDEO) FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

<u>Finding No(s). (1)</u>	<u>Program/Area</u>	<u>Brief Description</u>	<u>Status of Finding</u>	<u>Comments</u>
2022-008 2021-030 2020-020	Unemployment Insurance (UI) ALN 17.225	Certain security controls related to user authentication for the Reemployment Assistance Claims and Benefits Information System (RA System) need improvement to ensure the confidentiality, integrity, and availability of RA System data and related information technology (IT) resources.	<b>Fully Corrected</b>	FloridaCommerce has implemented the Identity and Access Management Policy 6.01.03 with an effective date of August 18, 2023. Additionally, a new internal security how-to-guide is being drafted in collaboration with Employ Florida (EF) system managers that defines access management and reviews of the EF system.
2022-009 2021-029 2020-019	Unemployment Insurance (UI) ALN 17.225	The FDEO did not always timely deactivate Reemployment Assistance Claims and Benefits Information System (RA System) access privileges for employees who separated from FDEO or when access to the RA System was no longer required.	<b>Fully Corrected</b>	
2022-010 2021-018 2020-008	Unemployment Insurance (UI) ALN 17.225	In our information technology (IT) operational audit report No. 2021-169, <i>Reemployment Assistance Claims and Benefits Information System (CONNECT)</i> , dated March 2021, we noted in Finding 1 that the FDEO continued to lack processes and procedures for identifying, analyzing, and correcting technical system errors and other Reemployment Assistance Claims and Benefits Information System (RA System) defects that prevent or hinder the processing of RA System data. As of June 2022, the FDEO had not corrected the identified deficiencies.	<b>Fully Corrected</b>	
2022-011 2021-019 2020-009 2019-006 2018-012 2017-006	Unemployment Insurance (UI) ALN 17.225	In our information technology (IT) operational audit report No. 2021-169, <i>Reemployment Assistance Claims and Benefits Information System (CONNECT)</i> , dated March 2021, we noted in Finding 2 that the Reemployment Assistance Claims and Benefits Information System (RA System) application edits for postmark dates and related date sequencing continue to need improvement. As of June 2022, the FDEO had not corrected the identified deficiencies.	<b>Fully Corrected</b>	FloridaCommerce found the defect tickets associated with this finding on scanning and indexing (74057, 76253, 76254) and confirmed the fix for these tickets was deployed to production on September 25, 2019.

<u>Finding No(s). (1)</u>	<u>Program/Area</u>	<u>Brief Description</u>	<u>Status of Finding</u>	<u>Comments</u>
2022-012 2021-020 2020-010 2019-008 2018-012 2017-006	Unemployment Insurance (UI)  ALN 17.225	In our information technology (IT) operational audit report titled <i>Reemployment Assistance Claims and Benefits Information System (CONNECT)</i> , dated March 2021, we noted in Finding 3 that procedures for document intake, indexing, and tracking processes continue to need improvement to ensure that all documents received for processing in the Reemployment Assistance Claims and Benefits Information System (RA System) are timely and accurately indexed to the appropriate claimant, claim, and claim issue. As of June 2022, the FDEO had not corrected the identified deficiencies.	<b>Fully Corrected</b>	FloridaCommerce has attached the current Standard Operating Procedure for document intake and indexing through Axiom Pro. All documents are scanned and provided to the appropriate business unit to process the claim.
2022-013 2021-021 2020-011 2019-010 2018-012 2017-006	Unemployment Insurance (UI)  ALN 17.225	In our information technology (IT) operational audit report titled <i>Reemployment Assistance Claims and Benefits Information System (CONNECT)</i> , dated March 2021, we noted in Finding 4 that Reemployment Assistance Claims and Benefits Information System (RA System) processes related to system-generated claim issues continue to need improvement to ensure that claims are accurately and timely processed. As of June 2022, the FDEO had not corrected the identified deficiencies.	<b>Fully Corrected</b>	FloridaCommerce has implemented a biweekly rhythm to correct deficiencies in the system. <ol style="list-style-type: none"> <li>1. Subject matter experts (SME) meet with business unit leadership and identify the highest level defects effecting experience or productivity.</li> <li>2. Defect is recorded in ServiceNow. Once it has been prioritized, the defect is moved to our Information Technology unit to determine how the fix can take place and how long it will take to complete.</li> <li>3. The defect information is taken to the Agency Governance (build guild) to present for acceptance and to add fix to the monthly build rhythm.</li> <li>4. Builds are deployed monthly correcting defects and/or adding enhancements.</li> </ol>

<u>Finding No(s). (1)</u>	<u>Program/Area</u>	<u>Brief Description</u>	<u>Status of Finding</u>	<u>Comments</u>
2022-014 2021-022 2020-012 2019-009 2018-012 2017-006	Unemployment Insurance (UI)  ALN 17.225	In our information technology (IT) operational audit report titled <i>Reemployment Assistance Claims and Benefits Information System (CONNECT)</i> , dated March 2021, we noted in Finding 5 that Reemployment Assistance Claims and Benefits Information System (RA System) processes related to the creation and distribution of claimant and employer claim notices continue to need improvement to ensure claim notices are timely distributed. As of June 2022, the FDEO had not corrected the identified deficiencies.	<b>Fully Corrected</b>	
2022-015 2021-023 2020-013 2019-011 2018-012 2017-006	Unemployment Insurance (UI)  ALN 17.225	In our information technology (IT) operational audit report titled <i>Reemployment Assistance Claims and Benefits Information System (CONNECT)</i> , dated March 2021, we noted in Finding 6 that processing defects related to claimant benefit payments, claimant overpayments, and employer charges still exist in the Reemployment Assistance Claims and Benefits Information System (RA System). As of June 2022, the FDEO had not corrected the identified deficiencies.	<b>Partially Corrected</b>	FloridaCommerce continues to work on modernizing the Reemployment Assistance Claims and Benefits Information System and acknowledges this defect ticket. This defect ticket requires large-scale effort and extensive changes necessary to the RA System core component program code to resolve these defects. Changes have not been implemented and an estimated resolution date is December 2024.

<u>Finding No(s). (1)</u>	<u>Program/Area</u>	<u>Brief Description</u>	<u>Status of Finding</u>	<u>Comments</u>
2022-016 2021-024 2020-014 2019-007 2018-012 2017-006	Unemployment Insurance (UI)  ALN 17.225	In our information technology (IT) operational audit report titled <i>Reemployment Assistance Claims and Benefits Information System (CONNECT)</i> , dated March 2021, we noted in Finding 7 that language translations for Reemployment Assistance Claims and Benefits Information System (RA System) claimant communications continue to need improvement. As of June 2022, the FDEO had not corrected the identified deficiencies.	<b>Partially Corrected</b>	FloridaCommerce continues to prioritize the improvement of language translations within the System. The System has applied plain language across its initial claims application and has made the revised language available in Spanish and Haitian Creole. Additional System screen language is currently undergoing plain language translation and, once approved, will be translated in Spanish and Haitian Creole and applied to the System. Additionally, FloridaCommerce has nearly completed a review of claimant-facing documents, such as determinations and handbooks, and guides, which have been translated into plain language. These documents will also be translated into Spanish and Haitian Creole. FloridaCommerce will provide documentation of the Babel Notice and contact center processes when a translator is needed.
2022-017 2021-014	Unemployment Insurance (UI) ALN 17.225  Low-Income Home Energy Assistance (LIHEAP) ALN 93.568  Workforce Innovation and Opportunity Act (WIOA) Cluster  ALNs 17.258, 17.259, and 17.278	The FDEO did not always timely deactivate Subrecipient Enterprise Resource Application (SERA) user access privileges for employees who separated from FDEO employment.	<b>Fully Corrected</b>	

<u>Finding No(s). (1)</u>	<u>Program/Area</u>	<u>Brief Description</u>	<u>Status of Finding</u>	<u>Comments</u>
2022-018	Unemployment Insurance (UI) ALN 17.225	FDEO records did not clearly evidence that UI benefit payments were made only to eligible claimants.	<b>Partially Corrected</b>	To continue to promote timely adjudication, Florida Commerce has increased staff resources for improved productivity and reduce outstanding cases. FloridaCommerce has documentation to show the timeline to resolve the adjudication backlog. In addition to providing training materials to staff, we will ensure proper fact finding and resolution of conflicting responses are also provided to staff.
2022-019 2021-032	Unemployment Insurance (UI) ALN 17.225	The FDEO did not maintain records to support the amounts reported in Federal Performance Reports submitted to the Employment and Training Administration (ETA).	<b>Fully Corrected</b>	

<u>Finding No(s). (1)</u>	<u>Program/Area</u>	<u>Brief Description</u>	<u>Status of Finding</u>	<u>Comments</u>
<p>2022-020 2021-035 2020-022</p>	<p>Unemployment Insurance (UI) ALN 17.225</p>	<p>The FDEO did not always ensure or timely ensure that UI claimants complied with the participation requirements of the RESEA program.</p>	<p><b>Partially Corrected</b></p>	<p>The frequency of data exchanged between EmployFlorida and FloridaCommerce is daily, but the report is delivered on Thursdays. FloridaCommerce believes that there was an unknown technical issue that led to the appointment outcomes not being transmitted. FloridaCommerce will work with the state's vendor for Employ Florida to investigate the root cause of the issue by October 31, 2023. Next steps will be determined pending the outcome of this investigation.</p> <p>In addition, FloridaCommerce continues its efforts to increase staff resources for improved productivity and reduce outstanding cases to promote timely adjudication. FloridaCommerce will continue its contract with a vendor to assist with conducting the fact-finding portion of claim adjudication and provide ongoing comprehensive training to both new hires and tenured adjudicators. Adjudication has partnered with our Claims Processing Unit to continue working the RESEA cases exclusively. With a backlog of 16,258 RESEA adjudication issues and the oldest issue created November 29, 2021, it will take FloridaCommerce until December 31, 2023, to resolve the backlog with the 11 adjudicators working an average of 125 issues a week.</p>

<u>Finding No(s). (1)</u>	<u>Program/Area</u>	<u>Brief Description</u>	<u>Status of Finding</u>	<u>Comments</u>
2022-021 2021-016	Unemployment Insurance (UI) ALN 17.225 Workforce Innovation and Opportunity Act (WIOA) Cluster ALNs 17.258, 17.259, and 17.278	Certain security controls related to user authentication for the Employ Florida (EF) system need improvement to ensure the confidentiality, integrity, and availability of EF data and related information technology (IT) resources.	<b>Fully Corrected</b>	FloridaCommerce has implemented the Identity and Access Management Policy 6.01.03 with an effective date of August 18, 2023. Additionally, a new internal security "how-to-guide" is being drafted in collaboration with Employ Florida (EF) system managers that defines access management and reviews of the EF system.
2022-022 2021-017	Unemployment Insurance (UI) ALN 17.225 Workforce Innovation and Opportunity Act (WIOA) Cluster ALNs 17.258, 17.259, and 17.278	FDEO records did not evidence a complete January through June 2022 Employ Florida (EF) system user access privilege review or always timely deactivate EF system user accounts for employees who separated from FDEO employment.	<b>Fully Corrected</b>	
2021-003	Reemployment Assistance Fund Accounts payable and accrued liabilities; Receivables, net; Benefit payments: Grants and donations: Net Position – Prior period adjustment: Net Position – Restricted for Reemployment Assistance: Net Position – Unrestricted	For the 2019-20 and 2020-21 fiscal years, the FDEO did not record all accounts payables, receivables, unemployment insurance (UI) benefits payments, or amounts due from the Federal Government for UI benefit payments compensable by June 20 but paid during the period July 1 through September 30.	<b>Partially Corrected</b>	The Department concurs with the finding. Expenditures on the SEFA for the period ending June 30, 2022, were overstated due to errors in the prior period. FloridaCommerce's Bureau of Financial Management has enhanced its procedures to categorize and exclude accounting entries related to prior periods and will automate processes to reduce to the risk of clerical errors.
2021-028 2020-018 2019-012 2018-012 2017-006	Unemployment Insurance (UI) ALN 17.225	In our information technology (IT) operational audit report titled <i>Reemployment Assistance Claims and Benefits Information System (CONNECT)</i> , dated March 2021, we noted in Finding 12 that some Reemployment Assistance Claims and Benefits Information System (RA System) users had inappropriate and unnecessary access privileges to high-risk functions. As of June 2021, the FDEO had not corrected the identified deficiencies.	<b>Fully Corrected</b>	FloridaCommerce has implemented the Identity and Access Management Policy 6.01.03 with an effective date of August 18, 2023. Additionally, a new internal security how-to-guide is being drafted in collaboration with Employ Florida (EF) system managers that defines access management and reviews of the EF system.



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2021-034 2020-021	Unemployment Insurance (UI) ALN 17.225	The FDEO could not provide accurate data for the period July 2020 through June 2021 demonstrating that UI benefit overpayments were properly identified and handled in accordance with applicable requirements or that debts resulting from overpayments were appropriately offset.	<b>Partially Corrected</b>	FloridaCommerce's System development was completed in May 2022 to align the Federal Pandemic Unemployment Compensation program with the guidance provided in Unemployment Insurance Program Letters (UIPL) 20-21, change 1. Claimant overpayment data processing continues to be conducted. FloridaCommerce continues to validate the integrated data and anticipates being able to provide complete overpayment data once the integration and processing effort is finalized. FloridaCommerce will continue to work with the Auditor General and the US Department of Labor to ensure compliance.