



REPRESENTING
ALEX SINK
CHIEF FINANCIAL OFFICER
STATE OF FLORIDA

September 22, 2008

The Honorable Alex Sink
Chief Financial Officer
The Capitol, PL-11
Tallahassee, Florida 32399-0301

Dear CFO Sink:

Pursuant to Section 11.45(4) (d), Florida Statutes, the enclosed response provides a six-month follow-up on the status of corrective actions taken by the Department regarding the findings and recommendations included in the Auditor General's Report No. 2008-141, Compliance and Internal Controls Over Financial Reporting and Federal Awards, In Accordance With OMB Circular A-133, for Fiscal Year Ended June 30, 2007.

Only one finding (FS-07-010) was not reported as completed in our response to the Preliminary and Tentative Report. Our implementation of the remaining recommendation, which pertained to reconciliation requirements between agencies reported expenditures and financial statements, has been completed.

If you have any questions or would like to discuss the matter further, please contact me at (850) 413-4960.

A handwritten signature in black ink, appearing to read "Robert E. Clift".

Robert E. Clift

REC:sc

Attachment

cc: Brenda Pelham, CPA, Audit Manager, Office of the Auditor General
✓Terry Shoffstall, Director, Joint Legislative Auditing Committee

Florida Department of Financial Services
Six-Month Audit Response
Compliance and Internal Controls Over
Financial Reporting and Federal Awards
In accordance with OMB Circular A-133
For the Fiscal Year Ended June 30, 2007

Finding No. FS 07-010: Reconciliations between the State's Schedule of Expenditures of Federal Awards (SEFA) and the State's basic financial statements were not always prepared.

Recommendation: We recommend that State agencies follow FDFS instructions and prepare reconciliations between total expenditures reported on the SEFA data form and the agencies' financial statements. Further, we recommend that FDFS revise the certification to require agencies to certify that a reconciliation between the SEFA data form and the agencies' financial statements has been prepared.

Response: The Department concurs. We will revise the certification to require agencies to certify that a reconciliation between the SEFA data form and the agencies' financial statements has been prepared. In addition, we will be holding an agency training workshop for preparation of the 2008 SEFA, which will include a discussion on the reconciliation requirement.

Six Month Status: Completed.