



RICK SCOTT
Governor

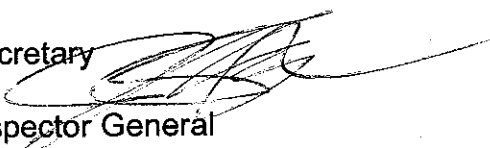
DEPARTMENT OF MANAGEMENT
SERVICES

JOHN P. MILES
Secretary

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MEMORANDUM

DATE: September 12, 2011

TO: John P. Miles, Secretary 

FROM: Steve Rumph, Inspector General

SUBJECT: Six-Month Status Report to Auditor General Report No. 2011-167

Pursuant to Section 20.055(5)(g), Florida Statutes, the following is our explanation of the six-month status of findings and recommendations included in the Auditor General's Report No. 2011-167, *State of Florida – Compliance and Internal Controls over Financial Reporting and Federal Awards*.

Our response addresses the findings and recommendations in the same order as they appear in the report.

Six-Month Status Report

Finding No. FS 10-008: Certificates of Participation:

Amounts related to the issuance of FDMS, Florida Correctional Finance Corporation, Certificates of Participation, Series 2009B and 2009C (COPs), were incorrectly recorded. Our audit disclosed that various accounting entries for the issuance of the COPs were recorded by FDOC within the Non-major Governmental Funds and in the Governmental Activities Financial statements. FDMS did not record any entries in its records related to the issuance of the COPs.

Recommendation FS 10-008:

We recommend that in future debt issuances of this nature, FDMS and FDOC record the appropriate accounting entries in accordance with the applicable bond documents.

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Original Response To Recommendation FS 10-008:

We concur with the Auditor General's recommendation. FDMS will continue to work with FDOC to ensure accounting entries are recorded according to the applicable bond documents.

Six-Month Status of Recommendation FS 1-0083:

FDMS and the FDOC are working together to ensure that the accounting entries are recorded according to the applicable bond documents.

Office of Inspector General Position:

We agree with the actions taken by the Bureau of Financial Management Services and recommend that this finding be closed. Our review shows that the appropriate accounting entries have been recorded according to the applicable bond documents since July 2010.

cc: ✓ Kathy Dubose, Staff Director, Joint Legislative Auditing Committee
David W. Martin, Auditor General
Brett Rayman, Chief of Staff
Debra Forbess, Director, Administration
Mitchell Clark, Bureau Chief, Bureau of Financial Management Services