



**Mike Prendergast**  
Executive Director

State of Florida  
**DEPARTMENT OF VETERANS' AFFAIRS**  
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Chief Financial Officer  
**Adam Putnam**  
Commissioner of Agriculture

May 28, 2013

Mike Prendergast  
Colonel, United States Army, Retired  
Executive Director  
Florida Department of Veterans' Affairs

Subject: Auditor General Report No. 2011-015 – Operational Audit

Dear Colonel Prendergast,

As required by Section 20.055(5)(g) Florida Statutes, I have prepared the status of the corrective actions taken by the Florida Department of Veterans' Affairs for findings and recommendations contained in Auditor General Report No. 2011-015. The Operational Audit focused on resident care of assessments and collections, Residents' Deposits Trust fund, and ULTRACare.

If you have any questions, please feel free to contact me at 727-351-3202 extension 5620.

Sincerely,

Nancy Hoang, CPA, CFE  
Audit Director  
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Cc: Inspector General  
Deputy Executive Director

Florida Department of Veterans' Affairs  
Office of Inspector General

Report Title: Operational Audit

Audit Source: Auditor General

Report#: 2011-015

Date: September 2010

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**Finding 5: Residents' Deposits Trust Fund Reporting**

Recommendation: To promote the accurate financial reporting of the Residents' Deposit Trust Funds balances and activities in accordance to Generally Accepted Accounting Principles, we recommend that the Department properly record Trust Fund activities and balances in FLAIR and implement effective accounting controls, including supervisory review of required fiscal year-end accounting entries.

Management's Initial Response: The department is in the process of implementing policies and procedures to record the Residents' Deposit Trust Fund activities in the Florida Accounting Information Resource (FLAIR) at fiscal year-end.

At fiscal year-end each Business Manager in the state veterans' homes will submit the "Resident Trust Fund Summary" report that is maintained in the ULTRACare to the Accounting Service Administrator and the Headquarters Office. The "Resident Trust Fund Summary" report shows the beginning balance, deposits, withdrawals, and ending balance in each account at fiscal year-end. The Accounting Services Administrator will be responsible for the recording these activities for each Home in FLAIR at fiscal year-end.

The added procedure will be implemented to ensure accurate financial recording of the Residents' Deposit Trust Fund balances and activities in FLAIR in accordance with Generally Accepted Accounting Principles. We anticipate recording the balances for the next fiscal year-end, June 30, 2011.

Six Month Response: We continue to work with the Department of Financial Services to ensure that the Department opens the proper type of fund to record the Residents' Deposit Trust Funds. We anticipate recording the balances for the next fiscal year-end, June 30, 2011.

Six Month, March 2011, Status: Open

Current Status: Open