

**SIX-MONTH FOLLOW UP FOR AUDITOR GENERAL REPORT NO. 2015-166,
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, 2014**

<u>Finding Number</u>	<u>Program/Area</u>	<u>Brief Description</u>	<u>Status of Finding</u>	<u>Comments</u>
2014-003	Reemployment Assistance Fund – Receivables, net; Benefit Payments; and Restricted for Reemployment	The FDEO was unable to obtain all relevant data needed to calculate the allowance for the uncollectibles account related to the overpayment of reemployment assistance.	Fully corrected.	Revisions were agreed upon in February 2015 to the methodology used by FDEO in order to more appropriately determine the allowance for uncollectible accounts for the RA program. The revised methodology was in place for the fiscal year end at 6/30/15, and is being used for financial statement reporting for 2015.
2014-006	Community Development Block Grants: State Administered CDBG Cluster (CDBG) CFDA Nos. 14.228 and 14.255	FDEO procedures were not sufficient to ensure that the Consolidated Annual Performance and Evaluation Report was properly completed.	Fully corrected.	FDEO implemented corrective action in June 2015. The procedures were updated on 5/28/15, and the Operations unit staff were trained by 6/30/15.
2014-007	Unemployment Insurance Program (UI) CFDA No. 17.225	The FDEO did not timely complete reconciliations of CONNECT, the system used for processing all UI claims payment transactions, to the Florida Accounting Information Resource Subsystem (FLAIR), the State's accounting system.	Fully corrected.	FDEO converted to daily reconciliation to provide assurance that all UI Program transactions have been accurately recorded in FLAIR. Documentation of the daily reconciliation has been maintained since February 2014 and will continue to be maintained as recommended.
2014-008	Unemployment Insurance Program (UI) CFDA No. 17.225	Reference to findings noted in Auditor General Information Technology Operational Audit report no. 2015-107.	Fully corrected.	

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2014-009	Unemployment Insurance Program (UI) CFDA No. 17.225	CONNECT did not provide accurate and complete UI claims payment data to ensure that all Federal reports could be accurately completed and timely submitted.	Partially corrected.	ETA 227 has been submitted for the quarters lacking during the audit. A redesign is in process with validations for population data and should be completed by the end of the third quarter 2015. ETA 2112 - Financial Management continues to support RA and IT in their efforts regarding the update of CONNECT to ensure the functionality necessary to provide DEO staff with accurate and complete data to complete the ETA 2112. As of 6/30/15, the daily voucher and the fund adjustment components had been resolved. DEO continues to timely submit the ETA 2112 to USDOL.
2014-010	Unemployment Insurance Program (UI) CFDA No. 17.225	The FDEO could not provide complete records to demonstrate that benefit overpayments were properly identified and handled.	Partially corrected.	Delays to the Collection Agency file occurred. File was not completed by June 30, 2015, due to additional findings. The Collection Agency files have now been completed, tested, and validated. The Department is awaiting official approval for production.
2014-011	Unemployment Insurance Program (UI) CFDA No. 17.225	The FDEO did not follow the established benefit accuracy measurement (BAM) case investigation procedures or methodology necessary to meet Federal BAM program testing requirements.	Partially corrected.	Delays to the National Directory of New Hires (NDNH) and BAM processes occurred and FDEO could not meet the June 30, 2015, date. Communication is still occurring with USDOL regarding the delays.
2014-031	Low-Income Home Energy Assistance Program CFDA No. 93.568	The FDEO did not always maintain documentation to ensure that access to the eGrants application was accessible only to authorized users.	Fully corrected.	FDEO implemented corrective action on August 27, 2014.