



CHIEF FINANCIAL OFFICER  
**JEFF ATWATER**  
STATE OF FLORIDA

April 24, 2013

Mr. Herschel T. Vinyard, Jr., Secretary  
Department of Environmental Protection  
3900 Commonwealth Boulevard  
Tallahassee, Florida 32399-0100

Dear Secretary Vinyard:

The Department of Financial Services (DFS) has completed its audit of the Department of Environmental Protection's (DEP) payroll related processes as authorized by Section 17.04, Florida Statutes. The audit encompassed the period January 1, 2012 through June 30, 2012. The audit objectives were to determine whether:

- Payroll processing internal controls are adequate and may be relied upon to produce accurate payroll records;
- Leave without pay is processed in accordance with State rules and agency policy;
- On-call payments are paid in accordance with State rules and agency policy; and
- Salary additives are in compliance with State rules and regulations.

In planning and performing the audit, DFS analyzed reports for the various payroll functions listed above, tested payroll transactions for the period under review, and interviewed payroll staff. All deficiencies found during the audit were corrected or are in the process of being corrected. Below is a summary of findings and corrective actions initiated:

- **New Hires:** DFS reviewed the files of 30 employees who were newly hired to DEP, including ten (10) OPS employees. Salary warrants were incorrect for two employees resulting in a gross overpayment totaling \$14.00 for one employee and an incorrect calculation of overtime rate for another. DEP initiated corrective actions to recoup the overpayment on April 12, 2013, and notified the other employee on March 27, 2013, of the discrepancy due to the incorrect rate.

FLORIDA DEPARTMENT OF FINANCIAL SERVICES

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- **Leave Without Pay (LWOP):** DFS reviewed the files of 30 employees in LWOP status from DEP. Salary deductions were incorrect for one employee resulting in an underpayment totaling \$147.00. DEP initiated corrective actions for the repayment of the underpayment to the employee on March 27, 2013.
- **Retroactive Payments:** DFS reviewed the files of 20 employees who received retroactive adjustments from DEP. Adjustments were incorrect for one employee resulting in a gross overpayment totaling \$54.00. DEP initiated corrective actions to recoup the overpayment from the employee on March 26, 2013.

It is DFS' opinion, within the scope of this audit that DEP has conformed to applicable laws, rules and regulations governing State personnel policies and has adequate internal control measures in place for payroll procedures and processing.

We appreciate your staff's support and cooperation during the course of the audit. The Bureau of State Payrolls staff is available for any future payroll guidance and/or training at your request.

Please contact John Bennett, Chief, Bureau of State Payrolls at (850) 413-5609, or [john.bennett@myfloridacfo.com](mailto:john.bennett@myfloridacfo.com) if you have any questions.

Sincerely,



Christina Smith

CS/sa

cc: Mr. David W Martin, CPA  
Auditor General

Ms. Candie Fuller, Inspector General  
Florida Department of Environmental Protection