



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

August 22, 2013

Mr. James Stewart, Interim Executive Director  
Northwood Shared Resource Center  
1940 North Monroe Street, Suite 80  
Tallahassee, Florida 32399-0710

Dear Mr. Stewart:

The Department of Financial Services (DFS) completed its audit of the Northwood Shared Resource Center's (NSRC) payroll related processes as authorized by Section 17.04, Florida Statutes. The audit encompassed the period July 1, 2012, through December 31, 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:

- **Overtime:** DFS reviewed the files of twenty-two employees who received overtime compensation from the NSRC. An overtime payment was incorrect for one employee resulting in a gross underpayment totaling \$75. SSRC initiated corrective actions to reimburse the employee for the underpayment on July 09, 2013.

It is DFS' opinion, within the scope of this audit that NSRC 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.

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Our office appreciates 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, Bureau Chief 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

Mr. Walter Sachs, Inspector General  
Department of Management Services