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FLORIDA
DEPARTMENT OF
FINANCIAL SERVICES

TOM GALLAGHER
CHIEF FINANCIAL OFFICER
STATE OF FLORIDA

November 15, 2005

Mr. Dan L. Gunter, Executive Director
Department of Citrus
Post Office Box 148
Lakeland, Florida 33802-0148

Dear Mr. Gunter:

We completed an audit of the Department of Citrus payroll related processes as authorized by Section 17.04, Florida Statutes. The audit encompassed the period January 1, 2005 through June 30, 2005. 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 our audit, we analyzed reports for the various Department of Citrus payroll functions listed above and interviewed payroll staff. We also tested transactions for payroll procedures involving new hires, employee terminations, outstanding payroll warrants, EFT/warrant cancellations and destruction, unclaimed property, leave without pay, salary overpayments, overtime payments, retroactive payments, and salary additive payments.

All deficiencies found during our audit were corrected or are in the process of being corrected. Below is a summary of findings and corrective actions taken:

- **Employee Terminations:** Of the fifteen employees we reviewed who were terminated, final salary payment was incorrect for one employee. This resulted in an overpayment totaling \$670.21. Your agency has provided supporting documentation of collective actions taken to recoup this overpayment.

Mr. Dan L. Gunter
November 7, 2005
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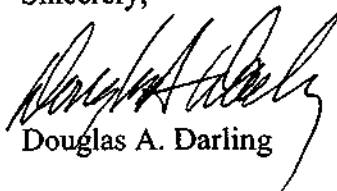
- **Leave Without Pay (LWOP):** Of the three employees we reviewed on LWOP, salary payments were incorrect for all. This resulted in overpayments to the three employees totaling \$1,146.95. Your agency has initiated corrective actions to collect the overpayment from one employee. It has also initiated a Personnel Action Request (PAR) for salary deductions to collect overpayments from the other two employees.
- **Retroactive Payments:** Of the three employees we reviewed who received retroactive adjustments for salary underpayments, adjustments were incorrect for one employee. This resulted in an overpayment totaling \$167.11. Your agency has initiated corrective actions to collect the overpayment from the employee.

It is our opinion, within the scope of this audit, that the Department of Citrus has adequate payroll procedures and controls in place.

We appreciate your staff's support and cooperation. We worked closely with them to develop the recommendations. You are to be commended for the professional and courteous manner in which this audit was conducted. The Bureau of State Payrolls staff is available for further assistance/training at your request.

Please contact John Bennett, Bureau Chief of State Payrolls, at (850) 413-5609, Suncom 293-5609 or john.bennett@fldfs.com if you have any questions.

Sincerely,



Douglas A. Darling

DAD/kgb

cc: Mr. William O. Monroe
Auditor General

Mr. Billy Weathers, Inspector General
Department of Citrus