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## QUALITY ASSURANCE REVIEW FINDINGS REPORT NO.: 2024 - QAR-08

### Outstanding Payroll Warrants

The Department of Financial Services (DFS) Post Audit Subsection has completed a limited scope review of Outstanding Payroll Warrants.

#### PURPOSE

To determine whether state agencies have procedures set in place for Outstanding Payroll Warrants, are routinely monitoring useful reports, managing Deduction Code vendor warrants, processing Salary Refund warrants timely, and promptly notifying employees of outstanding payroll warrants.

#### SCOPE

All outstanding warrants that appear on the RDS report “*Listing of Outstanding Payroll Warrants*”, form ID “4B5V”, with run date of August 16<sup>th</sup>, 2024, with data as of August 13<sup>th</sup>, 2024. Additionally, we reviewed the form ID “4B47” RDS report titled, “*12 Month Old Warrants Cancelled - Sent to Abandoned Property*” to examine what was stale dated. This report had a run date of August 17<sup>th</sup>, 2024, with data as of August 19<sup>th</sup>, 2024.

#### BACKGROUND

State agency payroll offices may access the monthly report “*Listing of Outstanding Payroll Warrants*” (RDS form ID “4\*\*V” for agencies) through the Report Distribution System (RDS), that provides a list of outstanding warrants that have not been cashed or deposited up to 12 months after the warrant issue date. Warrants not transacted 12 months from warrant date are “stale dated” and go to the Division of Unclaimed Property. This includes payroll warrants and any payroll deduction code warrants, (i.e.: salary refund, supplemental insurances, credit unions, etc.) that are also outstanding. The RDS report includes the Payee Name, Vendor ID, warrant amounts, numbers, and issue dates. This allows agencies to identify current and former employees, as well as vendors, whose warrants are listed as outstanding. Agencies should contact the payee and notify them to cash or deposit the funds or provide a replacement warrant.

#### METHODOLOGY

The DFS Post Audit Subsection obtained the *Outstanding Payroll Warrants* RDS report and reviewed all outstanding payroll warrants, Salary Refund, and Deduction Code warrants; All 27 agencies present on the report were reviewed in areas such as: the total number of payroll warrants outstanding, average, and total dollar amounts, age of the warrants, current employees with outstanding warrants, and warrants over \$100.00.

Emails were prepared for the agencies with questions about current agency procedures for this process, to serve as a notice to an agency that may not be aware of the report’s availability, and to remind agencies that establishing direct deposit is required by Florida Law per Section 110.113(2), Florida Statutes (F.S.).

A summary of these findings was included for the agencies to review and provide a response pertaining to the status of each of the outstanding warrants listed or provide any additional information they use for this process.

## CONCLUSIONS

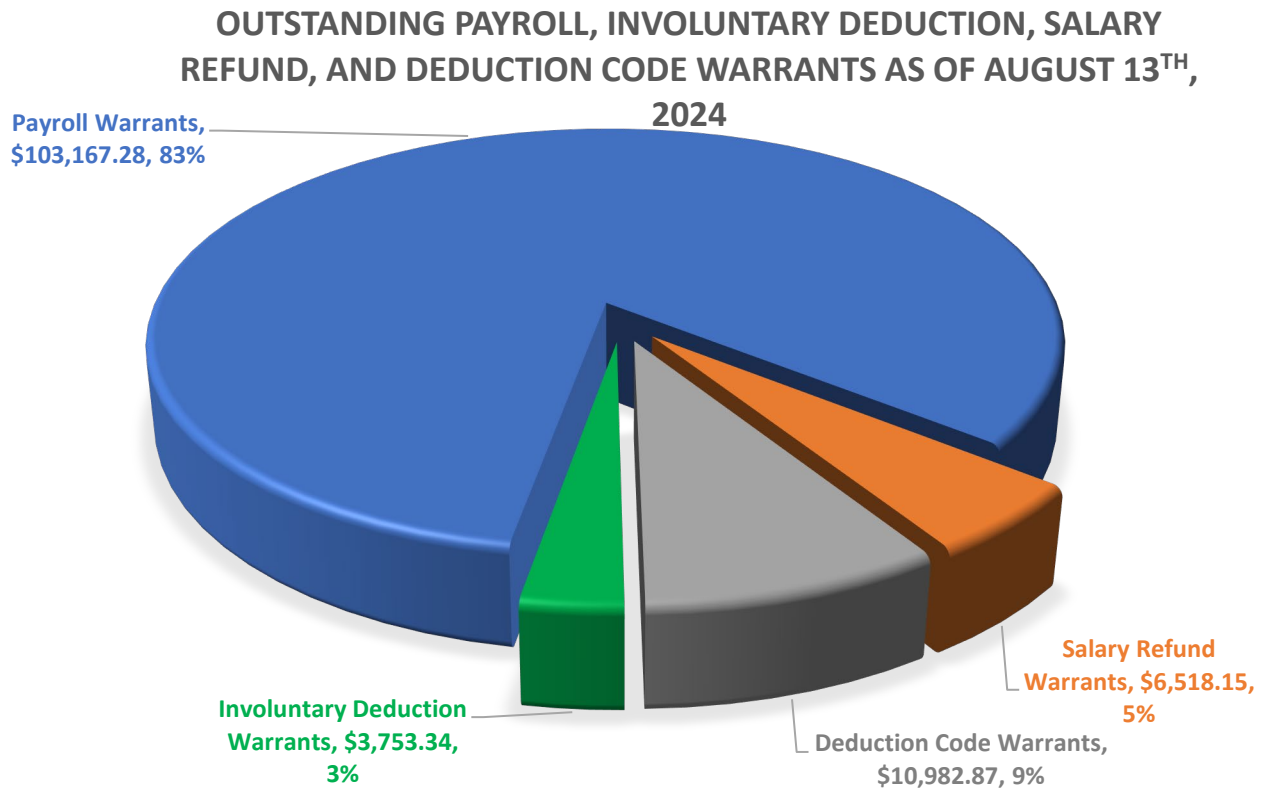
As shown in the breakdowns in the below table the Outstanding Payroll Warrants report consisted of 434 outstanding warrants across 27 agencies. 390 of the 434 Outstanding warrants, were **Payroll Warrants**, with an additional 10 DFS Involuntary Deduction Warrants. These are issued specifically by the Bureau of State Payrolls' Payroll Processing section, as noted below.

The average outstanding payroll warrant amount is \$456.85 and the total sum of the 390 outstanding payroll warrants is \$103,167.28. The 390 Payroll warrants belong to 337 individuals, 154 of which are *active* state employees (39.5%).

Agency	Payroll Warrants	Salary Refund Warrants	Deduction Code Warrants	Involuntary Deduction Warrants	Total Outstanding Warrants	All Total \$\$ Combined
JUSTICE ADMINISTRATIVE COMMISSION	7	0	0		7	\$9,558.73
STATE COURT SYSTEM	3	0	0		3	\$720.75
EXECUTIVE OFFICE OF THE GOVERNOR (+DEM)	1	0	0		1	\$26.98
DEPT. OF ENVIRONMENTAL PROTECTION	5	0	0		5	\$2,055.59
DEPT. OF COMMERCE	6	0	0		6	\$1,292.84
DEPT. OF LEGAL AFFAIRS	0	5	0		5	\$717.65
DEPT. OF AGRICULTURE & CONSUMER AFFAIRS	6	0	3		9	\$2,204.86
DEPT. OF FINANCIAL SERVICES	12	0	0	10*	22	\$4,404.09
DEPT. OF STATE	1	0	1		2	\$75.22
FLORIDA DEPARTMENT OF EDUCATION	1	0	0		1	\$467.54
FLORIDA SCHOOL OF THE DEAF & BLIND	12	0	0		12	\$1,865.49
DEPT. OF VETERAN AFFAIRS	6	0	0		6	\$1,620.00
DEPT. OF TRANSPORTATION	5	0	6		11	\$15,445.08
DEPT. OF CHILDREN & FAMILIES	41	2	0		43	\$10,561.03
DEPT. OF MILITARY AFFAIRS	34	0	0		34	\$26,585.60
DEPARTMENT OF HEALTH	25	5	1		31	\$6,064.16
DEPARTMENT OF ELDER AFFAIRS	0	1	0		1	\$35.66
AGENCY FOR PERSON WITH DISABILITIES	10	0	0		10	\$2,800.42
AGENCY FOR HEALTH CARE ADMINISTRATION	1	0	0		1	\$898.09
DEPT. OF CORRECTIONS	159	0	1		160	\$15,046.74
DEPT. OF LAW ENFORCEMENT	2	0	0		2	\$878.22
DEPT. OF MANAGEMENT SERVICES	14	0	8		22	\$2,030.56
DEPT. OF REVENUE	1	0	0		1	\$2,080.77
DEPT. OF HIGHWAY SAFETY & MOTOR VEHICLES	9	1	0		10	\$9,054.67
FISH & WILDLIFE CONSERVATION COMMISSION	14	0	0		14	\$2,632.36
DEPT. OF BUSINESS & PROFESSIONAL REGULATION	5	0	0		5	\$2,736.63
DEPT. OF JUVENILE JUSTICE	10	0	0		10	\$2,561.91

\* Involuntary Deduction warrants issued by the Bureau of State Payrolls' Payroll Processing section.

The following pie chart illustrates the dollar amount and percentage makeup of the four different types of warrants in outstanding status: Payroll, Involuntary Deduction Warrant, Salary Refund, and Deduction Code warrants.

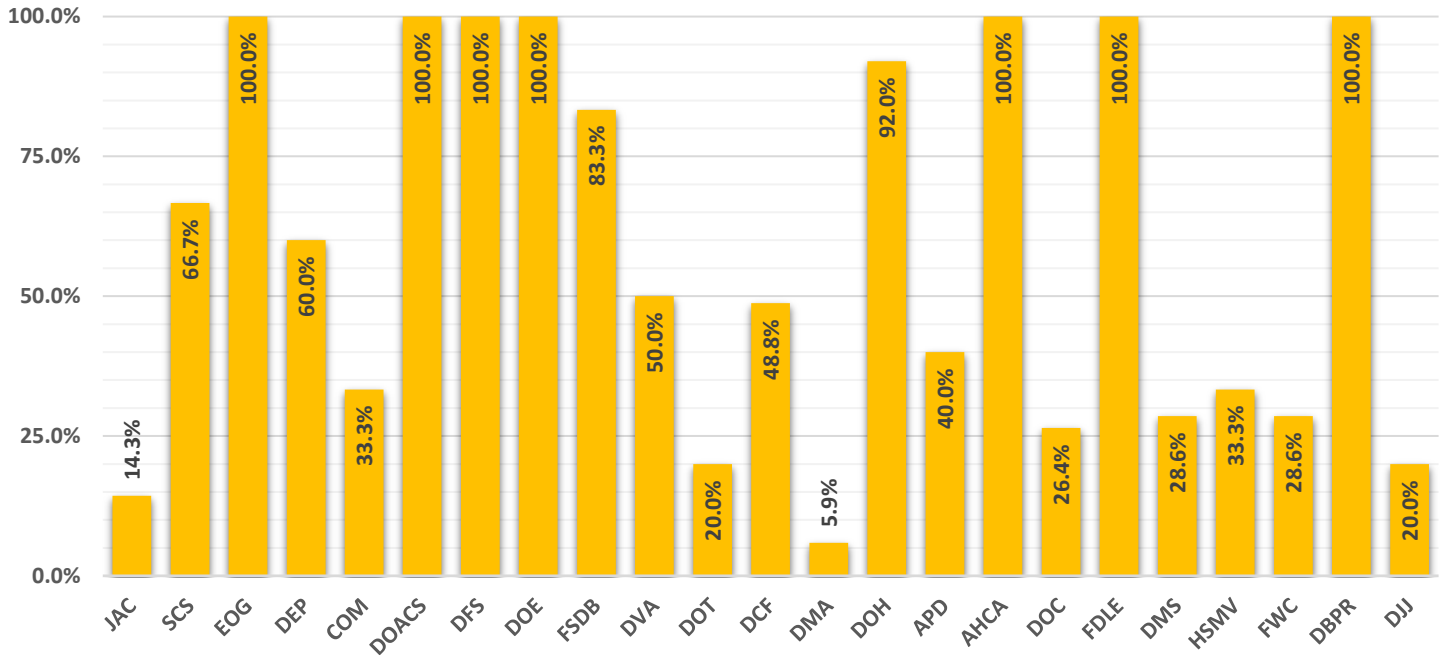


**Salary Refund warrants should not be present on this report.** These are monies collected from an employee through a payroll deduction as the result of a salary overpayment, that have not been deposited by the agency. This could also mean that a salary refund adjustment has not been completed in the payroll system (PYRL) since the approval of the adjustment requires a deposit number which results in an inaccurate employee payroll record. Our review found 5 agencies with 14 Outstanding Salary Refund Warrants totaling \$6,518.15. The average warrant amount is \$465.58, and the average age of the warrants is 6.1 months.

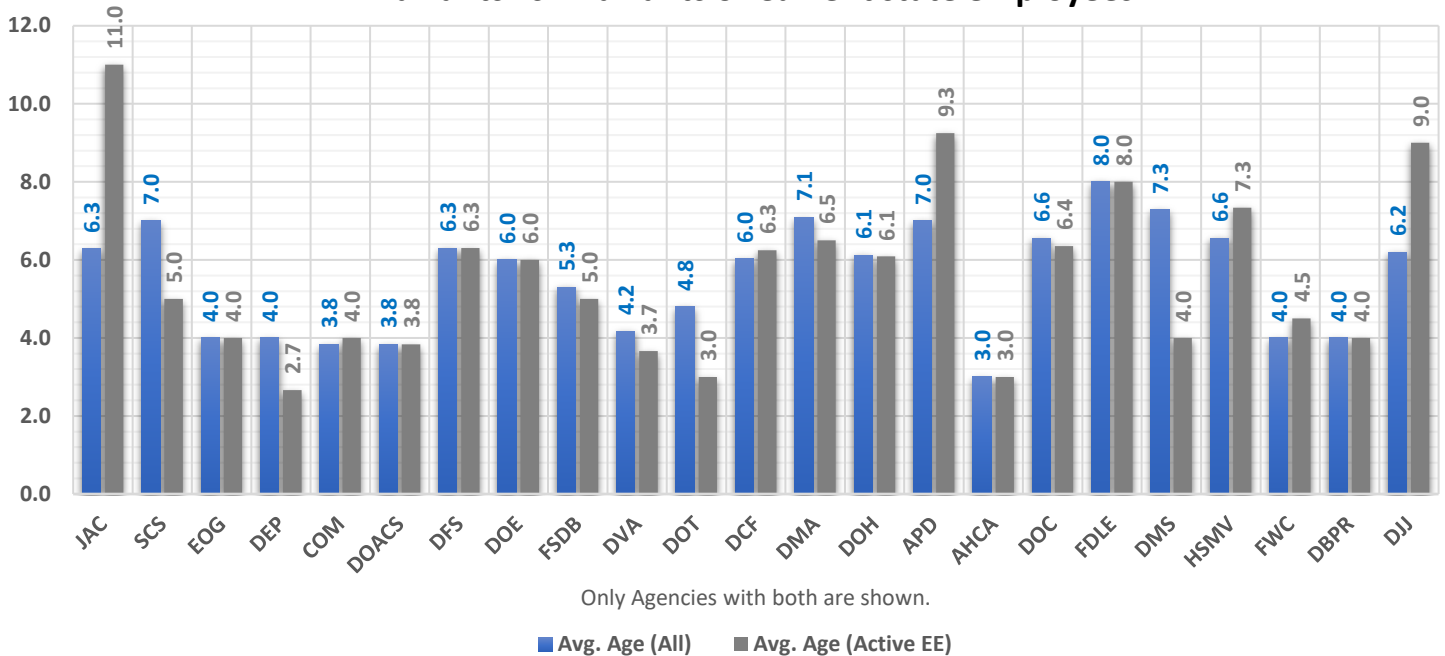
**Deduction Code Warrants should not be present on this report.** These are monies collected from employee’s payroll deductions that have not been deposited or “paid” to the vendor, affecting the employee’s status with those vendors. This could be the result of an agency not mailing the warrant or the vendor not depositing the warrant. There were 7 Deduction Code Warrants across 6 of the 27 agencies reviewed, totaling \$10,982.87. \$10,275.75 (94%) of this belongs to DOT. The average warrant amount is \$549.14 and average age is 5.3 months.

Nine agencies reached an 80% or higher threshold of their **Outstanding Payroll Warrants** being due to currently active state employees. The average age of the payroll warrants on the report for these 27 agencies was 5.4 months. Ideally this number should be within the one to three-month range in effort to keep the number of warrants on the “*Outstanding Warrants over 3 months Old*” Report, to a minimum, creating less work on the agency’s payroll unit. To further signify a problem, the range of the age of payroll warrants of **current state employees** across these 27 agencies was a 5.6-month average.

### Percentage of Outstanding Payroll Warrants: Current Active Employees

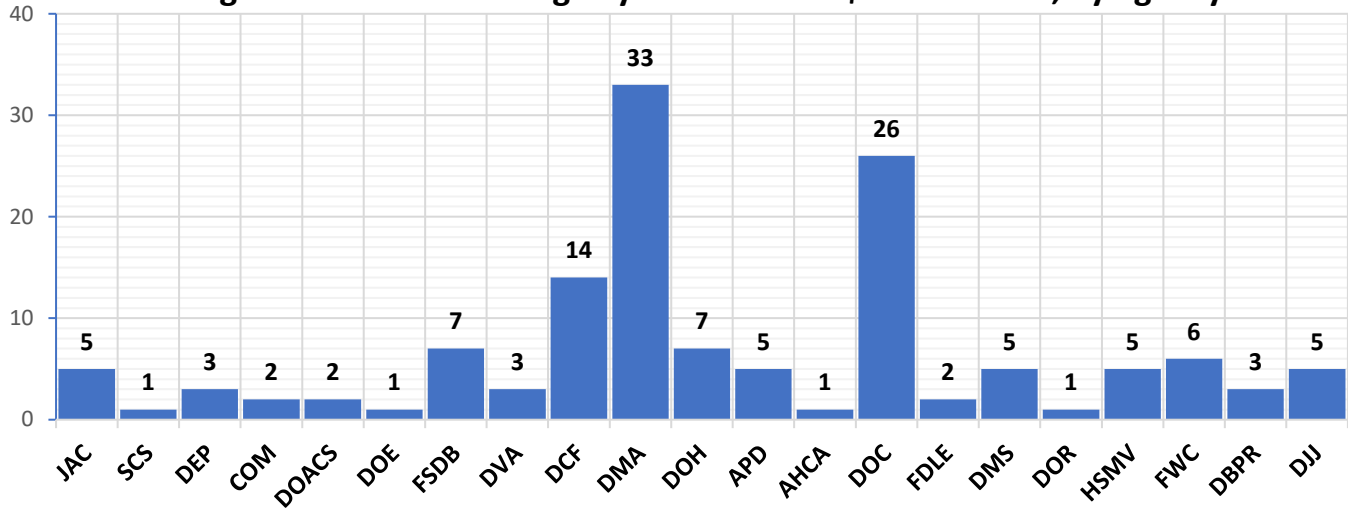


### Average Age (in months) of Outstanding Payroll warrants, All Warrants vs. Warrants of Current state employees



Payroll Warrants \$100.00 or more were defined as significant amounts. As indicated below, warrants of significant amounts made up 35.1% of the 390 outstanding warrants (137 warrants).

### "Significant" Outstanding Payroll Warrants \$100 or more, by agency



**\*\* As a reminder, any reference to dates or warrant ages within the following agency findings below are relative to the "4B5V" RDS Report "Listing of Outstanding Payroll Warrants" run on August 16<sup>th</sup>, 2024, with data as of August 13<sup>th</sup>, 2024.**

#### Justice Administrative Commission – JAC (OLO 2100)

During our review, the BOSP Post Audit team documented the following regarding the Justice Administrative Commission's **Outstanding Payroll Warrants**. Findings consisted of seven payroll warrants totaling \$9,558.73. The average age of the warrants is 6.3 months. One of these warrants belongs to a current state of Florida employee.

#### **AGENCY RESPONSE:**

1. Is the agency aware of the Outstanding Warrant Report that should be reviewed on a regular basis? *Yes, JAC Financial Services staff is assigned to review it and does so on a monthly.*
2. Does the agency have procedures in place for this process to properly account for outstanding payroll warrants? (If so, please briefly describe) *Yes. Financial Services sends Human Resources staff the pages with payroll-related warrant information (type 3). I've attached the process document that describes the next steps.*
3. Are there documented procedures for undeliverable payroll warrants, including payroll deduction code vendor warrants and salary refund warrants? (If so, please briefly describe) *Yes. Please take a look at the attached process document.*

#### State Court System – SCS (OLO 2200)

During our review, the BOSP Post Audit team documented the following regarding the State Court System's **Outstanding Payroll Warrants**. Findings consisted of three payroll warrants totaling \$720.75. The average age of the warrants is 7 months. Two of these warrants belongs to current state of Florida employees.

### **AGENCY RESPONSE:**

1. Is the agency aware of the Outstanding Warrant Report that should be reviewed on a regular basis? *Yes, this report is run monthly.*
2. Does the agency have procedures in place for this process to properly account for outstanding payroll warrants? (If so, please briefly describe) *The employee is contacted and informed that they have an outstanding warrant, and it should be cashed as soon as possible. If they are unable to locate the salary warrant, we can request a duplicate warrant on their behalf. I guess, if no response is received, we can request the duplicate after a certain time period.*
3. Are there documented procedures for undeliverable payroll warrants, including payroll deduction code vendor warrants and salary refund warrants? (If so, please briefly describe) *Yes, if the warrant is undeliverable, we attempt to call the employee using their contact information in People First.*

### Executive Office of the Governor – EOG/DEM (OLO 3100)

During our review, the BOSP Post Audit team documented the following regarding the Executive Office of the Governor – EOG/DEM's **Outstanding Payroll Warrants**. Findings consisted of one payroll warrant totaling \$26.98. The age of the warrant is 4 months. This warrant belongs to a current state of Florida employee.

### **AGENCY RESPONSE:** *(Response provided by EOG personnel)*

1. Is the agency aware of the Outstanding Warrant Report that should be reviewed on a regular basis? *Yes. The report is run and reviewed every month by the Finance and Accounting Director.*
2. Does the agency have procedures in place for this process to properly account for outstanding payroll warrants? (If so, please briefly describe) *Yes. Upon notice of outstanding warrant by review of the outstanding warrant report, the Finance and Accounting Director advises the personnel office or the Accountant III in Finance and Accounting to contact the affected employee to please present warrant for payment. Should the employee indicate that the warrant is misplaced, the personnel office will work with Finance and Accounting and BOSP to request a duplicate warrant. Once the warrant is received, the employee is contacted to pick up the warrant. The report is continued to be monitored, and employee contacted until the warrant has been presented for payment.*
3. Are there documented procedures for undeliverable payroll warrants, including payroll deduction code vendor warrants and salary refund warrants? (If so, please briefly describe) *On the rare occasion that a deduction code warrant is not deliverable, the personnel office will reach out to the deduction vendor for an alternative address and will validate with BOSP prior to sending by return receipt mail. For undeliverable employee warrants, the address on the warrant is validated in People First and the employee (or former employee) is contacted to pick up the warrant or provide a valid, alternative delivery method. The employee is also advised to ensure that People First address/contact information is up to date and correct. Salary warrant refunds from direct deduction are received by the mail courier directly from DFS and deposited to state accounts by Finance and Accounting. These warrants should not leave the possession of the state office until deposit; therefore, there should not be an issue where a salary refund is undeliverable.*

### Department of Environmental Protection – DEP (OLO 3700)

During our review, the BOSP Post Audit team documented the following regarding the Department of Environmental Protection's **Outstanding Payroll Warrants**. Findings consisted of five payroll warrants totaling \$2,055.59. The average age of the warrants is 4 months. Three of these warrants belong to current state of Florida employees.

**AGENCY RESPONSE:**

1. Is the agency aware of the Outstanding Warrant Report that should be reviewed on a regular basis? *Yes, a report is run monthly and reviewed.*
2. Does the agency have procedures in place for this process to properly account for outstanding payroll warrants? (If so, please briefly describe). *Yes, we review the report regularly and send e-mails to current employees and letters to separated employees notifying them of outstanding warrants. We request that if they have the warrants that they are cashed/deposited promptly. If they indicate that the check/warrant has been misplaced/lost we request a duplicate.*
3. Are there documented procedures for undeliverable payroll warrants, including payroll deduction code vendor warrants and salary refund warrants? (If so, please briefly describe). *Yes, we contact HR to ensure that the warrant is being sent to the last known address for the prior employee. For misc. deduction we contact the vendor and verify that the address we are sending the warrant to is correct and update as needed.*

**Department of Commerce – COM (OLO 4000)**

During our review, the BOSP Post Audit team documented the following regarding the Department of Commerce's **Outstanding Payroll Warrants**. Findings consisted of six payroll warrants totaling \$1,292.84. The average age of the warrants is 3.8 months. Two of these warrants belong to current state of Florida employees.

**AGENCY RESPONSE:** BOSP Post Audit was notified after several attempts that a response would be provided in short order, however as of this review's publishing, no response has been provided.

1. Is the agency aware of the Outstanding Warrant Report that should be reviewed on a regular basis?
2. Does the agency have procedures in place for this process to properly account for outstanding payroll warrants? (If so, please briefly describe).
3. Are there documented procedures for undeliverable payroll warrants, including payroll deduction code vendor warrants and salary refund warrants? (If so, please briefly describe).

**Department of Legal Affairs – DLA (OLO 4100)**

During our review, the BOSP Post Audit team documented the following regarding the Department of Legal Affairs' **Outstanding Salary Refund Warrants**. Findings consisted of five salary refund warrants totaling \$717.65. These warrants are 2.8 months in age and should be processed as soon as possible.

**AGENCY RESPONSE:**

1. Is the agency aware of the Outstanding Warrant Report that should be reviewed on a regular basis? *Yes*
2. Does the agency have procedures in place for this process to properly account for outstanding payroll warrants? (If so, please briefly describe) *Yes, our payroll office reviews the RDS (Outstanding Warrants) report each pay period. If an employee is listed, we contact the employee to remind them of the warrant and the timeline to cash or deposit the check.*
3. Are there documented procedures for undeliverable payroll warrants, including payroll deduction code vendor warrants and salary refund warrants? (If so, please briefly describe) *Yes.*
  - **Undeliverable payroll warrants** – *if an employee did not receive their warrant, the employee must communicate that providing a written statement. Our office will contact BOSP to confirm that the warrant has not been cashed or deposited. Once our office has received confirmation, we will prepare the "Request for Duplicate Warrant Form." Once the duplicate warrant is received, it is either hand delivered or mailed to the employee's mailing address.*

- **Payroll deduction code vendor warrants** – our Finance & Accounting (F&A) section handles the mailing of these warrants. It is my understanding that if a vendor has stated that they did not receive a warrant, F&A would process follow a similar process in requesting a duplicate warrant.
- **Salary refund warrants** – if the warrant is not received, our payroll office would request a duplicate warrant.

### Department of Agriculture & Consumer Affairs – DOACS (OLO 4200)

During our review, the BOSP Post Audit team documented the following regarding the Department of Agriculture & Consumer Affairs’ **Outstanding Payroll Warrants**. Findings consisted of six payroll warrants totaling \$2,004.61. The average age of the warrants is 3.8 months. All 6 of these warrants belong to current state of Florida employees (100%).

During our review, the BOSP Post Audit team documented the following regarding the Department of Agriculture & Consumer Affairs’ **Outstanding Deduction Code Warrants**. Findings consisted of three Deduction Code Warrants totaling \$200.25. The warrants are 5 months in age and should be processed as soon as possible.

#### **AGENCY RESPONSE:**

1. Is the agency aware of the Outstanding Warrant Report that should be reviewed on a regular basis? *Yes, we are aware of this report, and we review this report monthly. It is named Outstanding Warrants over 3 months old, so only warrants that are 3 months and older appear on the report.*
2. Does the agency have procedures in place for this process to properly account for outstanding payroll warrants? (If so, please briefly describe) *Yes. After reviewing the outstanding warrant report, we contact the affected employees. If justification is provided that the warrants were never received, misplaced, etc., we will process affidavits for duplicate warrants and submit the paperwork to the BOSP for duplicate warrant payouts. The BOSP processes the duplicate warrants and sends them to the agency to mail out to the employee(s).*
3. Are there documented procedures for undeliverable payroll warrants, including payroll deduction code vendor warrants and salary refund warrants? (If so, please briefly describe) *Yes, any undeliverable payroll that we are made aware of is scanned for records. Employees are notified to retrieve their current addresses. Once the addresses are received, we mail the checks to the employees. If we are unable to reach the employees, we will lock the checks until the employees are reached (a reasonable amount of time is allotted). As mentioned in number two, if the employee’s addresses have not changed and they have advised that they have never received their checks, misplaced them, etc., we will process affidavits for duplicate warrants and submit the paperwork to the BOSP for duplicate warrant payouts. The BOSP processes the duplicate warrants and sends them to FDACS to mail out to the employees.*

### Department of Financial Services – (OLO 4300)

During our review, the BOSP Post Audit team documented the following regarding the Department of Financial Services’ **Outstanding Payroll Warrants**. Findings consisted of 12 Payroll warrants, totaling \$650.75. The average warrant amount is \$54.23. The average warrant age is 6.3 months old. All warrants belong to current state of Florida employees (100%).

#### **AGENCY RESPONSE:**

1. Is the agency aware of the Outstanding Warrant Report that should be reviewed on a regular basis? **YES**
2. Does the agency have procedures in place for this process to properly account for outstanding payroll warrants? (If so, please briefly describe) **YES, see attached word doc 2.1.18 Outstanding payroll warrant review MR 2024 (in process of reviewing and updating desk procedures now).**



3. Are there documented procedures for undeliverable payroll warrants, including payroll deduction code vendor warrants and salary refund warrants? (If so, please briefly describe) **YES, see attached word doc 2.1.22 Paper Warrant Process MR 2024 (in process of reviewing and updating desk procedures now).**

### Department of Financial Services – Bureau of State Payrolls (Involuntary Deduction Warrant)

During our review, the BOSP Post Audit team documented the following regarding the Department of Financial Services' **Outstanding Payroll Involuntary Deduction Warrants** within the Bureau of State Payrolls Involuntary Deductions Unit. Findings consisted of 10 Payroll Involuntary Deduction Warrants, totaling \$3,753.34. The average age of these warrants is 5.5 months old and should be processed as soon as possible.

**AGENCY RESPONSE:** *These [Involuntary Deduction] warrants on this list have been resolved. Per procedures, the [Involuntary Deductions] Team reviews the monthly RDS Report 4B29 "Outstanding Warrants Over 3 Months Old" and verifies the warrant is still outstanding. If so, the recipient is verified as active or termed, we collect contact information and if necessary, contact the agency's general counsel to advise of the outstanding warrant and if a duplicate warrant should be requested and provided to counsel's office. If so, a notarized Form DFS-A1-408 Affidavit for Duplicate Warrant is completed, provided to Vendor Relations, who notifies the [Involuntary Deductions] Team when the duplicate warrant will be available for pick up and Transmittal. Once received, we forward it as requested by the General Counsel's Office or if mailing to the recipient, send it by certified mail.*

1. Is the agency aware of the Outstanding Warrant Report that should be reviewed on a regular basis? **Yes**
2. Does the agency have procedures in place for this process to properly account for outstanding payroll warrants? (If so, please briefly describe). **Yes, these warrants are money that is supposed to go to an employee's debt or a Child Support Order. The recipient of the warrant is contacted and BOSP offers to request a duplicate payment.**
3. Are there documented procedures for undeliverable payroll warrants, including payroll deduction code vendor warrants and salary refund warrants? (If so, please briefly describe). **Yes, in the employee's active involuntary deduction folder, there is a DFS-A3-1928 form for a Writ of Garnishment. We contact the General Counsel's office for that agency to notify them of the outstanding warrant, asking if a duplicate warrant needs to be requested and if so, advise on where to send (new address, etc.).**

### Department of State – DOS (OLO 4500)

During our review, the BOSP Post Audit team documented the following regarding the Department of State's **Outstanding Payroll Warrants**. Findings consisted of one payroll warrant for \$54.63. The age of the warrant is 5 months. The warrant does not belong to a current state of Florida employee.

During our review, the BOSP Post Audit team documented the following regarding the Department of State's **Outstanding Deduction Code Warrants**. Findings consisted of one Deduction Code Warrant \$20.59. The warrant is 3 months in age and should be processed as soon as possible.

#### **AGENCY RESPONSE:**

1. Is the agency aware of the Outstanding Warrant Report that should be reviewed on a regular basis? **Yes, we are aware of the outstanding warrant report.**
2. Does the agency have procedures in place for this process to properly account for outstanding payroll warrants? (If so, please briefly describe) **No.**
3. Are there documented procedures for undeliverable payroll warrants, including payroll deduction code vendor warrants and salary refund warrants? (If so, please briefly describe) **No.**

### Department of Education – DOE (OLO 4800)

During our review, the BOSP Post Audit team documented the following regarding the Department of Education's **Outstanding Payroll Warrants**. Findings consisted of one payroll warrant for \$467.54. The age of the warrant is 6 months. The warrant belongs to a current state of Florida employee.

#### **AGENCY RESPONSE:**

1. Is the agency aware of the Outstanding Warrant Report that should be reviewed on a regular basis? *We are aware and receive the Outstanding Warrant Report*
2. Does the agency have procedures in place for this process to properly account for outstanding payroll warrants? (If so, please briefly describe) *We contact the employee notifying them that they have an outstanding payroll warrant and ask them if they have received the warrant. If not, then a duplicate is requested. If they have the warrant, we remind them that they are valid for 12 months and request that deposit the funds as soon as they are able.*
3. Are there documented procedures for undeliverable payroll warrants, including payroll deduction code vendor warrants and salary refund warrants? (If so, please briefly describe) **Payroll Warrants-** *We have personnel liaisons in each Division that pick-up payroll warrants for their staff and either hand deliver them or mail them to the employee's if they are not in town. The personnel liaisons send the out-of-town warrants overnight to the employee's office location. If there are any issues with an employee's warrant, then the personnel liaison will contact Payroll if a duplicate warrant is needed. Payroll deduction Code* **Vendor Warrants-** *We have about five actual warrants for payroll deductions that are mailed to the vendors. The vendor will contact Payroll if they have any issues. Payroll will research and request a duplicate warrant if needed. Salary Refund Warrants-* *Payroll processes Salary Refund warrants as they are received. If a salary refund isn't received by the following monthly payroll, then payroll will process a code 200 to recoup the funds from the employee on the following monthly payroll.*

### Florida School for the Deaf & Blind – FSDB (OLO 4890)

During our review, the BOSP Post Audit team documented the following regarding the Department of Education's **Outstanding Payroll Warrants**. Findings consisted of 12 payroll warrants totaling \$1,856.49. The average age of the warrants is 5.3 months. 10 of the 12 warrants belong to current state of Florida employees.

#### **AGENCY RESPONSE:**

1. Is the agency aware of the Outstanding Warrant Report that should be reviewed on a regular basis? *Yes, we are aware of the report and follow up on it regularly.*
2. Does the agency have procedures in place for this process to properly account for outstanding payroll warrants? (If so, please briefly describe) *Yes, FSDB has procedures in place regarding outstanding payroll warrants. When a warrant has been outstanding for greater than three months, the current or former employee is notified via certified letter or registered email. The Payroll Coordinator works with the FSDB Academic Departmental Contact to facilitate the process if the employee is a FSDB student worker. If it is determined by the employee the outstanding warrant has been lost, destroyed, or not received, then agency personnel initiate the duplicate warrant process.*
3. Are there documented procedures for undeliverable payroll warrants, including payroll deduction code vendor warrants and salary refund warrants? (If so, please briefly describe) *In the event there are undeliverable warrants, then efforts are made to contact the party. If necessary, the outstanding warrant procedure is initiated.*

## Department of Veterans Affairs – DVA (OLO 5000)

During our review, the BOSP Post Audit team documented the following regarding the Department of Health's **Outstanding Payroll Warrants**. Findings consisted of six payroll warrants totaling \$1,620.00. The average age of the warrants is 4.2 months. Three of the warrants belong to current state of Florida employees.

### **AGENCY RESPONSE:**

1. Is the agency aware of the Outstanding Warrant Report that should be reviewed on a regular basis? *Yes, DVA is aware of the source document CMPPWCR1 report for outstanding warrants over 3 months old. Currently the report is being ran from RDS and reviewed monthly.*
2. Does the agency have procedures in place for this process to properly account for outstanding payroll warrants? (If so, please briefly describe). *Yes, once the payroll warrant has been identified as outstanding from the CMPPWCR1 report, each warrant is manually logged onto an excel spreadsheet by vendor ID, employee name, warrant number, date, and amount by the Payroll Accountant. The Payroll Accountant provides the outstanding warrants list to the HR Analyst. For nursing home employees, the HR Analyst emails the Business Office Manager to request a copy of the manifest and verifies that the employee signed for their warrant. If the employee is still employed with DVA, the Business Office Manager will then have the Personnel Tech get with the employee to let them know that they have an outstanding payroll warrant. For employees that are no longer with DVA, a phone call would be made by the Personnel Tech to advise them of the outstanding warrant. If a duplicate warrant is needed, then form DFS-A1-408 is completed, notarized, and mailed out to DFS. When the duplicate warrants are received, it is mailed out to the Personnel Tech to hand deliver the warrant to the employee. The Payroll Accountant periodically checks vendor history to ensure that the warrant has been deposited by the employee or former employee.*
3. Are there documented procedures for undeliverable payroll warrants, including payroll deduction code vendor warrants and salary refund warrants? (If so, please briefly describe). *Yes, for nursing home employees, the warrants along with a manifest for signatures are FedEx to the business office manager. If the employee is from benefits and assistance area, the hard copy warrant is sent via FedEx to the address listed on the warrant. The FedEx tracking number and signature on the manifest is evidence that the warrant was delivered. For employees that are no longer with the State, the warrants are mailed to the address listed on the warrant. When salary refund warrants are received from DFS by the Accounts Payable Accountant III, they are given to the Payroll Accountant. The Payroll Accountant will create a cash receipt log and then returns the salary refund warrant back to the Accounts Payable Accountant III. The Revenue Accountant will then create a deposit ticket and have it deposited into the bank. Once the deposit shows up on the DAR (the next day), the Revenue Accountant enters the TR30 and T the deposit within 3 days. After the deposit is T, the Revenue Accountant provides a copy of the deposit to the Payroll Supervisor, who will then approve the salary refund warrant in PYRL. All this should take place in couple of days after receiving the warrant from DFS.*

## Department of Transportation – DOT (OLO 5500)

During our review, the BOSP Post Audit team documented the following regarding the Department of Transportation's **Outstanding Payroll Warrants**. Findings consisted of five payroll warrants totaling \$5,169.33. The average age of the warrants is 4.8 months. One of these warrants belongs to a current state of Florida employee.

During our review, the BOSP Post Audit team documented the following regarding the Department of Transportation's **Outstanding Deduction Code Warrants**. Findings consisted of six Deduction Code Warrants totaling \$10,275.75. The warrants average 3.8 months in age and should be processed as soon as possible.

**AGENCY RESPONSE:**

1. Is the agency aware of the Outstanding Warrant Report that should be reviewed on a regular basis? *Yes, we pull the report monthly for review and handling.*
2. Does the agency have procedures in place for this process to properly account for outstanding payroll warrants? (If so, please briefly describe) *Yes, the report is reviewed, and the employee is contacted via email or phone to determine whether the warrant has been received. The employee is encouraged to deposit the warrant as soon as possible to avoid the Unclaimed Property process. If the warrant has been lost or not received, we initiate a duplicate warrant process and confirm the proper mailing address.*
3. Are there documented procedures for undeliverable payroll warrants, including payroll deduction code vendor warrants and salary refund warrants? (If so, please briefly describe) *Yes, the report is reviewed, and the Vendor is contacted via email or phone to determine whether the warrant has been received. The Vendor is encouraged to deposit the warrant as soon as possible to avoid the Unclaimed Property process. If the warrant has been lost or not received, we initiate a duplicate warrant process and confirm the proper mailing address.*

**Department of Children & Families – DCF (OLO 6000)**

During our review, the BOSP Post Audit team documented the following regarding the Department of Children & Families' **Outstanding Payroll Warrants**. Findings consisted of 41 payroll warrants totaling \$10,461.03. The average age of the warrants is 6 months. 20 of these 41 warrants belong to current state of Florida employees (48.8%).

During our review, the BOSP Post Audit team documented the following regarding the Department of Children & Families' **Outstanding Salary Refund Warrants**. Findings consisted of two salary refund warrant totaling \$100.00. The warrants are 12 months in age and likely have been sent to Unclaimed Property.

**AGENCY RESPONSE:**

1. Is the agency aware of the Outstanding Warrant Report that should be reviewed on a regular basis? *Yes, we are aware of the report, and it is being pulled and reviewed on a monthly basis.*
2. Does the agency have procedures in place for this process to properly account for outstanding payroll warrants? (If so, please briefly describe) *We make attempts to contact current and former employees to determine if they still have the warrant and encourage them to deposit the check. If they do not have the warrant, we will follow the duplicate warrant process.*
3. Are there documented procedures for undeliverable payroll warrants, including payroll deduction code vendor warrants and salary refund warrants? (If so, please briefly describe) *For any payroll warrants that are undeliverable, they are returned to HR. We make every attempt to contact the employee to try and deliver the warrant. As for the vendor warrants and salary refund warrants, they are handled by our Finance and Accounting office.*

**Department of Military Affairs – DMA (OLO 6200)**

During our review, the BOSP Post Audit team documented the following regarding the Department of Military Affairs' **Outstanding Payroll Warrants**. Findings consisted of 34 payroll warrants totaling \$26,585.60. DMA has

33 payroll warrants in excess of \$100.00, pushing the average warrant amount to \$781.93. The average age of the warrants is 7.1 months. Two of these warrants belong to current state of Florida employees.

**AGENCY RESPONSE:**

1. Is the agency aware of the Outstanding Warrant Report that should be reviewed on a regular basis? *Yes*
2. Does the agency have procedures in place for this process to properly account for outstanding payroll warrants? (If so, please briefly describe). *Yes, most outstanding warrants are related to State Active Duty (SAD) and the list is sent to our SAD department to disseminate to National Guard Units.*
3. Are there documented procedures for undeliverable payroll warrants, including payroll deduction code vendor warrants and salary refund warrants? (If so, please briefly describe). *No, duplicate payroll warrants are issued upon request from soldiers.*

**Department of Health – DOH (OLO 6400)**

During our review, the BOSP Post Audit team documented the following regarding the Department of Health's **Outstanding Payroll Warrants**. Findings consisted of 25 payroll warrants totaling \$4,713.77. The average age of the warrants is 6.1 months. 23 of these 25 warrants belong to current state of Florida employees (92%).

During our review, the BOSP Post Audit team documented the following regarding the Department of Health's **Outstanding Salary Refund Warrants**. Findings consisted of five salary refund warrant totaling \$1,280.39. The warrants are 7.6 months in age and should be processed as soon as possible.

Additionally, during our review, the BOSP Post Audit team documented the following regarding the Department of Health's **Outstanding Deduction Code Warrants**. Findings consisted of one Deduction Code Warrant, totaling \$70.00. This warrant is 6 months old and should be processed as soon as possible.

**AGENCY RESPONSE:**

1. Is the agency aware of the Outstanding Warrant Report that should be reviewed on a regular basis? *Yes*
2. Does the agency have procedures in place for this process to properly account for outstanding payroll warrants? (If so, please briefly describe).
  - *On a monthly or bimonthly basis, Finance is responsible for reviewing the Outstanding Warrants over 3 months old report from RDS.*
  - *Research each instance to determine:*
    - *Overpayment due to leave without pay or termination and check issued in error. Proceed with cancellation.*
    - *If current employee or board member and check is correct, contact the employee to determine why check has not been cashed and if a duplicate or replacement warrant is required. Process accordingly.*
    - *Warrants from County Health Department (CHD) trust funds will be returned to the CHD. General revenue or other non-federal funding are transferred to unclaimed property after 12 months from warrant date.*
3. Are there documented procedures for undeliverable payroll warrants, including payroll deduction code vendor warrants and salary refund warrants? (If so, please briefly describe).
  - *If a warrant is returned to HR, delivery should be attempted via certified mail at the last address on file.*

- *If the employee does not respond and there is no forwarding address posted by the US Mail, the warrant should be maintained by the HR office with the certified mail documents and will transfer to unclaimed property after 12 months.*

### Agency for Persons with Disabilities – APD (OLO 6700)

During our review, the BOSP Post Audit team documented the following regarding the Agency for Persons with Disabilities' **Outstanding Payroll Warrants**. Findings consisted of 10 payroll warrants totaling \$2,800.42. The average age of the warrants is 7 months. Four of the warrants belong to current state of Florida employees.

#### **AGENCY RESPONSE:**

1. Is the agency aware of the Outstanding Warrant Report that should be reviewed on a regular basis? *Yes, the Agency is aware and reviews them regularly.*
2. Does the agency have procedures in place for this process to properly account for outstanding payroll warrants? (If so, please briefly describe). *Yes. We review the information on the outstanding warrant report and if the employee is currently employed with Agency, we reach out to the employee to determine why the check has not been cashed. If they have misplaced the check, we request a duplicate warrant for the employee to receive. If the employee is no longer employed with the Agency, we reach out via the contact information in PF and try to make contact to ask the former employee to cash the outstanding warrant or determine if a duplicate needs to be issued. If the employee refuses to cash the warrant due to the amount, the agency notifies it and allows it to go to unclaimed property.*
3. Are there documented procedures for undeliverable payroll warrants, including payroll deduction code vendor warrants and salary refund warrants? (If so, please briefly describe). *This process is attached for review.*

### Department of Corrections – DOC (OLO 7000)

During our review, the BOSP Post Audit team documented the following regarding the Department of Corrections' **Outstanding Payroll Warrants**. Findings consisted of 159 payroll warrants (40.8% of all statewide on this month's report), totaling \$14,980.99 in outstanding payroll. DOC has 26 payroll warrants in excess of \$100.00, pushing the average warrant amount to \$91.97. The average warrant age is 6.6 months. 42 of the 159 warrants belong to current state of Florida employees (26.4%).

Additionally, during our review, the BOSP Post Audit team documented the following regarding the Department of Corrections' **Outstanding Deduction Code Warrants**. Findings consisted of one Deduction Code Warrant, in the total amount of \$65.75. The age of the warrant is 8 months old, and they should be processed as soon as possible.

#### **AGENCY RESPONSE:**

1. Is the agency aware of the Outstanding Warrant Report that should be reviewed on a regular basis? *Yes*
2. Does the agency have procedures in place for this process to properly account for outstanding payroll warrants? (If so, please briefly describe). *Yes, we request duplicate warrants for outstanding warrants and send to staff for deposit.*
3. Are there documented procedures for undeliverable payroll warrants, including payroll deduction code vendor warrants and salary refund warrants? (If so, please briefly describe). *Yes*

## Florida Department of Law Enforcement – FDLE (OLO 7100)

During our review, the BOSP Post Audit team documented the following regarding the Florida Department of Law Enforcement's **Outstanding Payroll Warrants**. Findings consisted of two payroll warrants totaling \$878.22. The average age of the warrants is 8 months. Both warrants belong to current state of Florida employees.

### **AGENCY RESPONSE:**

1. Is the agency aware of the Outstanding Warrant Report that should be reviewed on a regular basis? *Yes, we are aware of the report and review it monthly.*
2. Does the agency have procedures in place for this process to properly account for outstanding payroll warrants? (If so, please briefly describe) *Yes. Our Accounts Payable section reviews the Outstanding Warrant report monthly. When a payroll warrant appears on the report, they reach out to the member and inquire about the status of the warrant and determine if a duplicate warrant needs to be issued. If the member has separated, they get updated contact information from a member of the payroll team and reach out to the former member.*
3. Are there documented procedures for undeliverable payroll warrants, including payroll deduction code vendor warrants and salary refund warrants? (If so, please briefly describe). *Yes. Mailing warrants and returned mail is handled in our Cash Receipts section. For current members, when a paper payroll warrant is returned, they contact the member to get an updated mailing address. For a former member, they contact HR to get an updated mailing address. If a payroll deduction code vendor warrant is returned, they reach out to the benefits coordinator in HR to request an updated remittance address. We deposit salary refund warrants in house so there should not be a reason for one to be returned.*

## Department of Management Services – DMS (OLO 7200)

During our review, the BOSP Post Audit team documented the following regarding the Department of Management Services' **Outstanding Payroll Warrants**. Findings consisted of 14 payroll warrants totaling \$1,680.03. The average warrant amount is \$120.00. A lower average warrant amount combined with higher warrant count in this case would suggest that a high percentage of these are DSGI payments as they have been in the past. The average warrant age is 7.3 months. Four warrants belong to current state of Florida employees.

Additionally, during our review, the BOSP Post Audit team documented the following regarding the Department of Management Services' **Outstanding Deduction Code Warrants**. Findings consisted of eight Deduction Code Warrants, in the total amount of \$350.53. The average age of the warrants is 6 months old, and it should be processed as soon as possible.

### **AGENCY RESPONSE:**

1. Is the agency aware of the Outstanding Warrant Report that should be reviewed on a regular basis? *Yes*
2. Does the agency have procedures in place for this process to properly account for outstanding payroll warrants? (If so, please briefly describe) *Yes. The agency has the CMPRPOW report in place to review and monitor outstanding agency employee payroll warrants on a monthly basis.*
3. Are there documented procedures for undeliverable payroll warrants, including payroll deduction code vendor warrants and salary refund warrants? (If so, please briefly describe) *The standard operating procedures for the Division of State Group Insurance (DSGI) only go to the point of providing the warrants to NGA (NorthgateArinso) for distribution. It is the responsibility of NGA to maintain employee records, receive refund requests from agencies and universities, verify overpayment of pretax premiums, enter pretax premium refunds into FLAIR's On-Demand payroll system, prepare and distribute pretax batches and supporting documentation to DSGI, mail warrants, and maintain historical records of all pretax premium refund payments. In addition, NGA is responsible for ensuring accuracy of pretax*

*premium refunds to prevent underpayment of premium contributions and provide a process for monitoring pretax refund payments. It is the responsibility of DSGI-Accounting to receive and approve pretax premium refund batches entered into the On Demand Payroll by NGA, receive premium refund Payroll Registers from DMS/F&A, and distribute PT premium refund warrants and payroll registers to NGA.*

### Department of Revenue – DOR (OLO 7300)

During our review, the BOSP Post Audit team documented the following regarding the Department of Revenue's **Outstanding Payroll Warrants**. Findings consisted of one payroll warrant totaling \$2,080.77. The age of the warrant is 3 months. This warrant does not belong to a current state of Florida employee.

#### **AGENCY RESPONSE:**

1. Is the agency aware of the Outstanding Warrant Report that should be reviewed on a regular basis? *Yes, DOR is aware for the CMPPWCR1 Outstanding Warrants over 3 months old.*
2. Does the agency have procedures in place for this process to properly account for outstanding payroll warrants? (If so, please briefly describe) *The procedure is to retrieve the Outstanding Warrants Report monthly. The report is sent to the Accounting and Human Resource Offices for review and take appropriate action.*
3. Are there documented procedures for undeliverable payroll warrants, including payroll deduction code vendor warrants and salary refund warrants? (If so, please briefly describe) *Yes, there are procedures. The Payroll Contact Individual is sent the list of employees who will be receiving a paper warrant.*

*Report is reviewed by the office. If there are special requests for mailing the payroll warrant, accounting is notified. Payroll is FedEx to the office. Undeliverable warrants are returned to the accounting office. The process is to contact the payee for correct address. The warrant is sent FedEx to new address.*

### Department of Highway Safety & Motor Vehicles – HSMV (OLO 7600)

During our review, the BOSP Post Audit team documented the following regarding the Department of Highway Safety & Motor Vehicles' **Outstanding Payroll Warrants**. Findings consisted of nine payroll warrants totaling \$4,670.22. The average age of the warrants is 6.6 months. Three of these warrants belong to current state of Florida employees.

During our review, the BOSP Post Audit team documented the following regarding the Department of Highway Safety & Motor Vehicles' **Outstanding Salary Refund Warrants**. Findings consisted of one salary refund warrant totaling \$4,384.45. The warrant is 5 months in age and should be processed as soon as possible.

#### **AGENCY RESPONSE:**

1. Is the agency aware of the Outstanding Warrant Report that should be reviewed on a regular basis? *Yes, FLHSMV is aware of this report and reviews it on a monthly basis.*
2. Does the agency have procedures in place for this process to properly account for outstanding payroll warrants? (If so, please briefly describe) *Yes, Accounting prints this report and shares it with the appropriate business areas. Business areas use this report to reach out to individuals in an attempt to get the warrant deposited or reissued if needed.*
3. Are there documented procedures for undeliverable payroll warrants, including payroll deduction code vendor warrants and salary refund warrants? (If so, please briefly describe) *Yes, Payroll contacts the*



*appropriate party in an attempt to deposit the warrant. Warrants may be reissued and/or addresses updated to ensure warrants are deposited.*

### Fish & Wildlife Conservation Commission – FWC (OLO 7700)

During our review, the BOSP Post Audit team documented the following regarding the Fish & Wildlife Conservation Commission's **Outstanding Payroll Warrants**. Findings consisted of 14 payroll warrants totaling \$2,632.36. The average age of the warrants is 4 months. Four of these warrants belong to current state of Florida employees.

#### **AGENCY RESPONSE:**

1. Is the agency aware of the Outstanding Warrant Report that should be reviewed on a regular basis? *Yes*
2. Does the agency have procedures in place for this process to properly account for outstanding payroll warrants? (If so, please briefly describe) *Yes, Outstanding payroll warrant report is ran monthly. FWC HR Office sends certified letters to the last known address on file to separated employees 3 times. Packets include a letter explaining the Uncashed Warrant and procedures for requesting a new one, a copy of the Pay statement of the uncashed warrant, and duplicate warrant request form. Active employees are sent the same package via mail and work email each month until a response is received.*
3. Are there documented procedures for undeliverable payroll warrants, including payroll deduction code vendor warrants and salary refund warrants? (If so, please briefly describe) *HR and/or Accounting Office Immediately reaches out to employee and supervisor to request updated address, Accounting Office contacts vendors for the same.*

### Department of Business & Professional Regulation – DBPR (OLO 7900)

During our review, the BOSP Post Audit team documented the following regarding the Department of Business & Professional Regulation's **Outstanding Payroll Warrants**. Findings consisted of five payroll warrants totaling \$2,736.63. The average age of the warrants is 4 months. All five of these warrants belong to current state of Florida employees.

#### **AGENCY RESPONSE:**

1. Is the agency aware of the Outstanding Warrant Report that should be reviewed on a regular basis? *Yes*
2. Does the agency have procedures in place for this process to properly account for outstanding payroll warrants? (If so, please briefly describe) *Yes. Please see the attached procedure.*
3. Are there documented procedures for undeliverable payroll warrants, including payroll deduction code vendor warrants and salary refund warrants? (If so, please briefly describe) *Yes. Please see the attached procedure.*

### Department of Juvenile Justice – DJJ (OLO 8000)

During our review, the BOSP Post Audit team documented the following regarding the Department of Juvenile Justice's **Outstanding Payroll Warrants**. Findings consisted of 10 payroll warrants totaling \$2,561.91. The average age of the warrants is 6.2 months. Two of the warrants belong to current state of Florida employees.

#### **AGENCY RESPONSE:**

1. Is the agency aware of the Outstanding Warrant Report that should be reviewed on a regular basis? *The agency is aware of a report for outstanding warrants. HR pulls the report from RDS twice a month to continue monitoring any outstanding warrants for our agency. Warrants that are returned after several attempts are sent to unclaimed property after a year of attempts.*

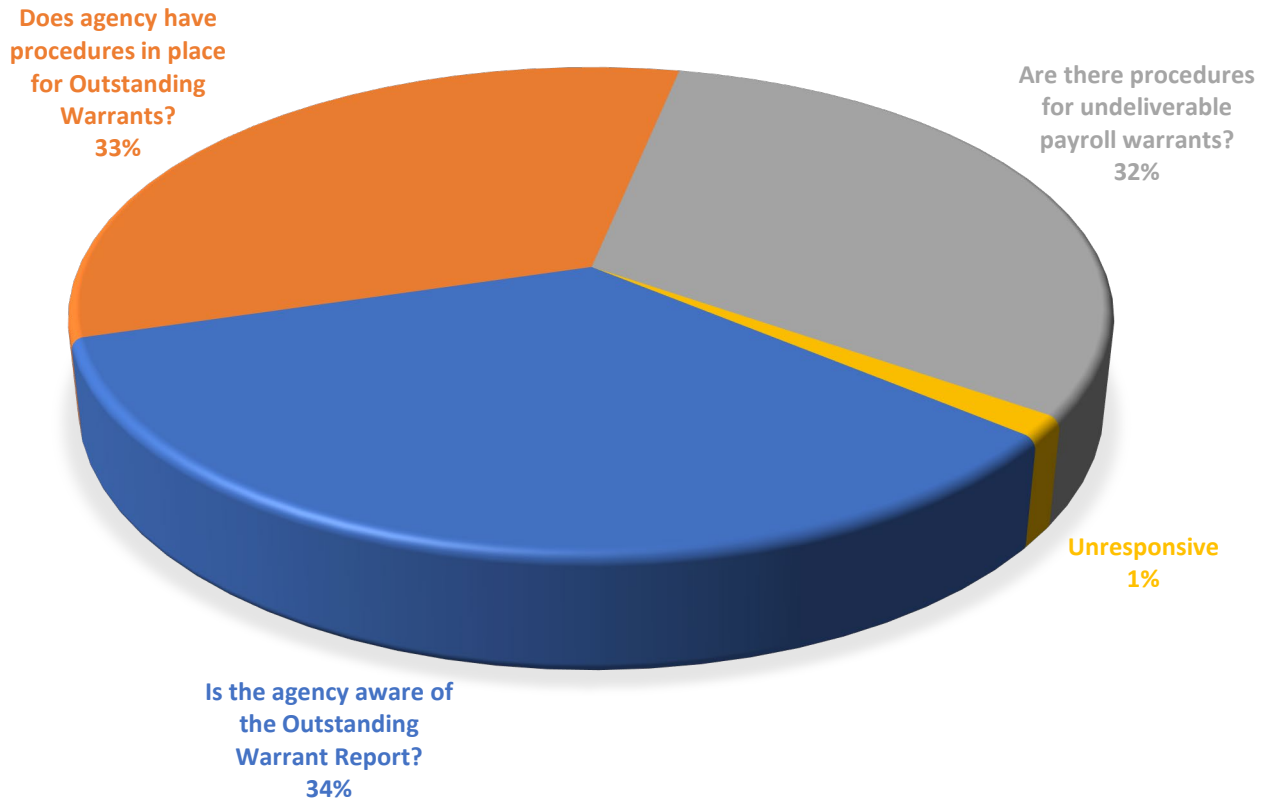
2. Does the agency have procedures in place for this process to properly account for outstanding payroll warrants? (If so, please briefly describe) *Yes, a warrant receipt form is sent to the Circuit liaison with each warrant attached for employee(s) to sign in order to receive their warrant. (See attached form with instructions)*
3. Are there documented procedures for undeliverable payroll warrants, including payroll deduction code vendor warrants and salary refund warrants? (If so, please briefly describe) *Yes, desk procedures are in place which states what steps to take when checks are returned to HR Payroll, as well as payroll deduction code vendor warrants and salary refunds. (See attached)*

[All Agency Responses \(Tabled\)](#)

Agency	Is the agency aware of the Outstanding Warrant Report?	Does agency have procedures in place for Outstanding Warrants?	Are there procedures for undeliverable payroll warrants?
JUSTICE ADMINISTRATIVE COMMISSION	Yes	Yes	Yes
STATE COURT SYSTEM	Yes	Yes	Yes
OFFICE OF THE GOVERNOR (OR DEM)	Yes	Yes	Yes
DEPT. OF ENVIRONMENTAL PROTECTION	Yes	Yes	Yes
DEPT. OF COMMERCE	Did not provide a response.		
DEPT. OF LEGAL AFFAIRS	Yes	Yes	Yes
DEPT. OF AGRICULTURE & CONSUMER AFFAIRS	Yes	Yes	Yes
DEPT. OF FINANCIAL SERVICES	Yes	Yes	Yes
DEPT. OF FINANCIAL SERVICES (Involuntary Ded.)	Yes	Yes	Yes
DEPT. OF STATE	Yes	No	No
FLORIDA DEPARTMENT OF EDUCATION	Yes	Yes	Yes
FLORIDA SCHOOL OF THE DEAF & BLIND	Yes	Yes	Yes
DEPT. OF VETERAN AFFAIRS	Yes	Yes	Yes
DEPT. OF TRANSPORTATION	Yes	Yes	Yes
DEPT. OF CHILDREN & FAMILIES	Yes	Yes	Yes
DEPT. OF MILITARY AFFAIRS	Yes	Yes	No
DEPARTMENT OF HEALTH	Yes	Yes	Yes
AGENCY FOR PERSON WITH DISABILITIES	Yes	Yes	Yes
DEPT. OF CORRECTIONS	Yes	Yes	Yes
DEPT. OF LAW ENFORCEMENT	Yes	Yes	Yes
DEPT. OF MANAGEMENT SERVICES	Yes	Yes	Yes
DEPT. OF REVENUE	Yes	Yes	Yes
DEPT. OF HIGHWAY SAFETY & MOTOR VEHICLES	Yes	Yes	Yes
FISH & WILDLIFE CONSERVATION COMMISSION	Yes	Yes	Yes
DEPT. OF BUSINESS & PROFESSIONAL REG	Yes	Yes	Yes
DEPT. OF JUVENILE JUSTICE	Yes	Yes	Yes

All Agency Responses (Charted)

**AGENCY RESPONSE OF "YES" TO THE 3 REVIEW QUESTIONS,  
BY PERCENTAGE**



## RECOMMENDATIONS

As a reminder, Section 110.113(2), Florida Statutes (F.S.), requires that salary payments for all employees be paid by direct deposit unless the employee is hired as other personnel services (OPS). Establishing direct deposit is required by Florida Law. It is the agency Human Resource personnel's responsibility to ensure that all CS, SES, and SMS employees complete this in People First or provide the required documentation for a hardship. Employees may request an exemption if participating in direct deposit would result in a hardship. Agencies were provided guidance with two new standardized forms to better assist with this process. These forms are available in the [DFS Accounting & Auditing Forms Library](#) and were also provided with the release of [Agency Addressed Memo No. 5](#) for fiscal year 2024-2025, on August 15<sup>th</sup>, 2024:

- [DFS-A3-2000 - Direct Deposit Acknowledgement](#) (during onboarding)
- [DFS-A3-2001 - Direct Deposit Hardship Exemption Request](#)

**These forms are recommended for use by all agencies but are not required.**

Of the 495 Total Outstanding Payroll Warrants on this report for August of 2024, 170 of them belong to people currently employed with the State of Florida.

- 93.5% of those 170 warrants belong to employees who are still currently with the same agency that issued the warrant.
- 116 of the 170 (68.2%) warrants that belong to current employees, belong to Career Service/SES/SMS employees who are required by the above statute to receive their payroll via Direct Deposit, unless they have completed a hardship exemption request form that has been approved by the agency.

Agencies should be aware of the various RDS reports and their usefulness in helping perform job duties. The RDS report "Outstanding Payroll Warrants" should be reviewed on a regular basis. This will allow the agency to assist with identifying outstanding warrants that belong to current employees before the warrants become stale dated and sent to the Division of Unclaimed Property, as well as former employees who may not be aware of an outstanding warrant due to them and contacting current/former employee to assist in cashing or depositing the funds. The report runs on the third Friday of every month, with the data as of the previous Tuesday.

Procedures should be developed and implemented if not already established, to properly account for outstanding payroll warrants, as well as specific procedures for undeliverable payroll warrants.

Each Agency with outstanding **Salary Refund Warrants** should audit those employee records to ensure their pay record is accurate. **6 of the 14 salary refund warrants on this report have 2023 issue dates.** Since the agencies collected the monies in 2023 but did not deposit or make an adjustment to the employee's record, the agency will need to recover or absorb the withholding taxes because the adjustment was not handled timely. In addition, if the salary refund warrant was submitted to unclaimed property, the agency will need to recover the funds from unclaimed property to apply to the employee record.

**Corrections to the employee's previous year pay record will likely now result in the employee receiving a W-2c form and potentially requiring them to amend or re-file their previous year tax returns.**