



**BILL McCOLLUM**  
**ATTORNEY GENERAL**  
**STATE OF FLORIDA**

**OFFICE OF THE ATTORNEY GENERAL**

**John L. Hamilton**  
**Director of Administration**

**The Capitol**  
**Tallahassee FL 32399-1050**  
**Telephone (850) 414-3300, SunCom 994-3300**

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**LETTER OF TRANSMITTAL**  
**DEPARTMENT OF LEGAL AFFAIRS**

October 15, 2008

Mr. Jerry McDaniel, Director  
Office of Policy & Budget  
Executive Office of the Governor  
1702 The Capitol  
Tallahassee, Florida 32399-0001

Mr. Michael Hansen, Budget Director  
House Policy and Budget Council  
418 Capitol  
Tallahassee, Florida 32399-1300

Ms. Cynthia Kelly, Staff Director  
Senate Fiscal Policy & Calendar Committee  
201 Capitol  
Tallahassee, Florida 32399-1300

Dear Directors:

Pursuant to Chapter 216, *Florida Statutes*, our Legislative Budget Request for the Department of Legal Affairs is submitted in the format prescribed in the budget instructions. The information provided electronically and contained herein is a true and accurate presentation of our proposed needs for the 2009-10 Fiscal Year. This submission has been approved by Bill McCollum, Attorney General.

Sincerely,

A handwritten signature in black ink, appearing to read "John L. Hamilton".

John L. Hamilton  
Director of Administration



# Department of Legal Affairs

## FY 2009-10 Department Level Exhibits and Schedules

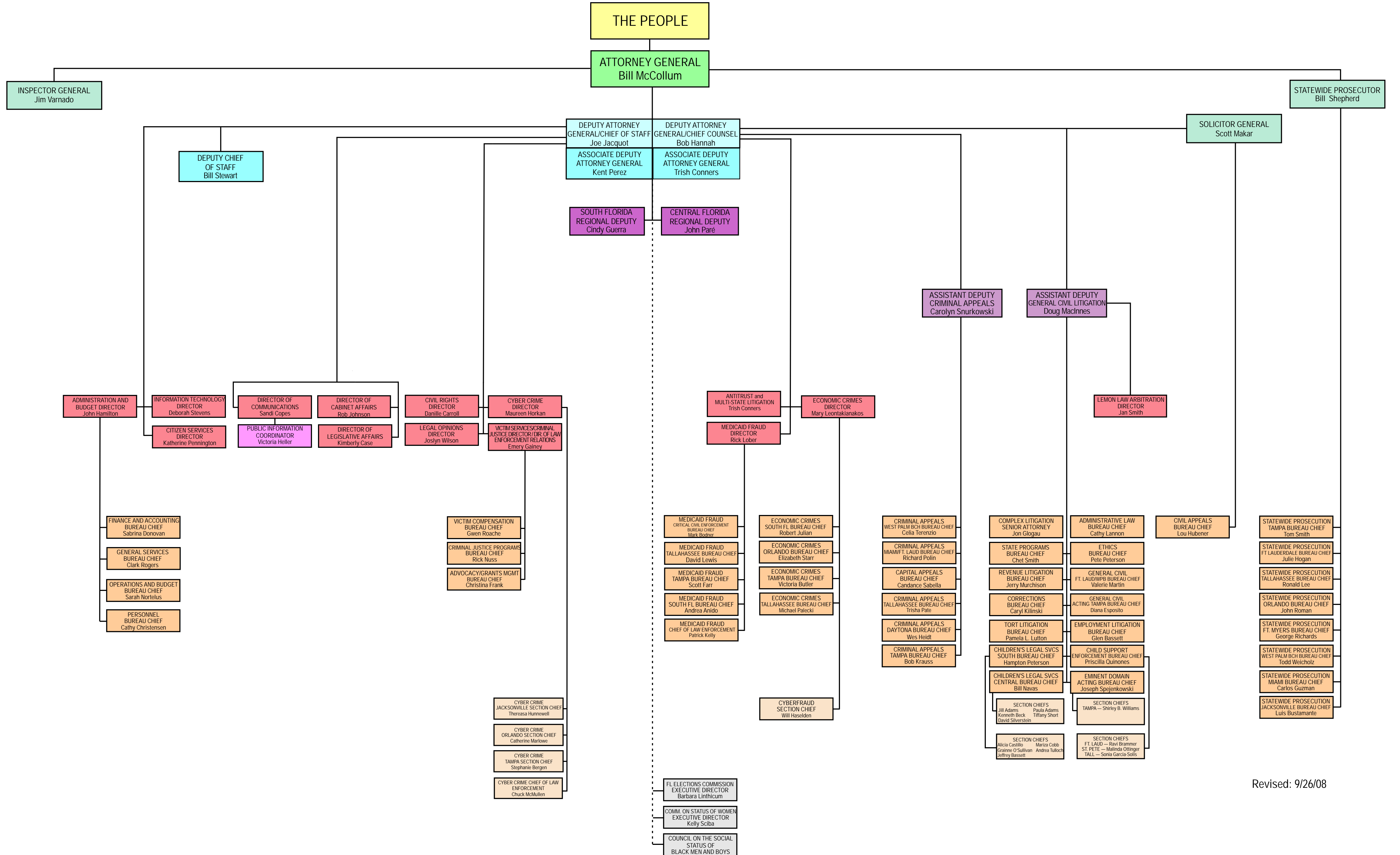
**PL 01 The Capitol  
Tallahassee, Florida 32399-1050**

### Schedule VII: Agency Litigation Inventory

For directions on completing this schedule, please see the "Legislative Budget Request (LBR) Instructions" located on the Governor's website.

<b>Agency:</b>	<b><i>Department of Legal Affairs</i></b>		
<b>Contact Person:</b>	<i>Mary Leontakianakos</i>	<b>Phone Number:</b>	<i>(850) 414-3824</i>
<b>Names of the Case: (If no case name, list the names of the plaintiff and defendant.)</b>	<p><i>State of Florida, Office of the Attorney General, Plaintiff</i></p> <p style="text-align: center;"><i>vs.</i></p> <p><i>Bradenton Group, Inc., et al., Defendants</i></p>		
<b>Court with Jurisdiction:</b>	<i>Ninth Judicial Circuit, Orange County, FL</i>		
<b>Case Number:</b>	<i>1995-CA-6890-O</i>		
<b>Summary of the Complaint:</b>	<p><i>In 1995, a RICO injunction was filed against the Bradenton Group, for racketeering activity (Bingo). On 2/11/1996, a jury found in favor of the State on the issues. The Fifth District Court of Appeal reversed the verdict, and remanded the case back to the Ninth Circuit for reconsideration. The 9<sup>th</sup> Circuit judge awarded damages to the defendants in the case, and fees &amp; costs to the defendants' attorneys.</i></p>		
<b>Amount of the Claim:</b>	<i>\$5,618,997.08</i>		
<b>Specific Statutes or Laws (including GAA) Challenged:</b>	<p><i>Section 16 Attorney General</i></p> <p><i>Section 849 Gambling</i></p> <p><i>Section 895 Offenses Concerning Racketeering and Illegal Debts</i></p>		
<b>Status of the Case:</b>	<p><i>Latest judgment awarding damages (8/20/2008) to be appealed to the Fifth District Court of Appeal. The Solicitor General will be handling the appeal for the Department of Legal Affairs.</i></p>		
<b>Who is representing (of record) the state in this lawsuit? Check all that apply.</b>	<input type="checkbox"/>	<i>Agency Counsel</i>	
	<input checked="" type="checkbox"/>	<i>Office of the Attorney General or Division of Risk Management</i>	
	<input type="checkbox"/>	<i>Outside Contract Counsel</i>	
<b>If the lawsuit is a class action (whether the class is certified or not), provide the name of the firm or firms representing the plaintiff(s).</b>	<i>N/A</i>		

# STATE OF FLORIDA OFFICE OF THE ATTORNEY GENERAL



Revised: 9/26/08

GENERAL		FISCAL YEAR 2007-08			
SECTION I: BUDGET		OPERATING		FIXED CAPITAL OUTLAY	
TOTAL ALL FUNDS GENERAL APPROPRIATIONS ACT			176,284,174	0	
ADJUSTMENTS TO GENERAL APPROPRIATIONS ACT (Supplementals, Vetoes, Budget Amendments, etc.)			1,099,854	0	
FINAL BUDGET FOR AGENCY			177,384,028	0	
SECTION II: ACTIVITIES * MEASURES		Number of Units	(1) Unit Cost	(2) Expenditures (Allocated)	(3) FCO
<i>Executive Direction, Administrative Support and Information Technology (2)</i>					0
Child Predator Cybercrime * <b>Number of active cybercrime cases</b>		115	23,210.31	2,669,186	
Lemon Law * <b>Number of Arbitration Hearings Conducted</b>		965	1,743.22	1,682,206	
Child Support Enforcement * <b>Number of final orders obtained representing the Department of Revenue in child support enforcement proceedings.</b>		70,237	111.55	7,834,838	
Antitrust * <b>Number of cases enforcing provisions of the Antitrust Act</b>		81	27,464.32	2,224,610	
Racketeer Influenced And Corrupt Organization (rico)/ Consumer Fraud * <b>Cases enforcing the Racketeer Influenced and Corrupt Act and Unfair and Deceptive Trade Practices Act.</b>		242	31,611.14	7,649,896	
Commission On Ethics Prosecutions * <b>Number of cases prosecuted before the Florida Commission on Ethics</b>		134	2,442.40	327,282	
Open Government Mediation * <b>Number of cases settled or mediated</b>		78	2,942.00	229,476	
Medicaid Fraud Control * <b>Number of cases investigated involving Medicaid fraud activities</b>		1,249	15,496.51	19,355,139	
Children's Legal Services * <b>Number of cases representing the Department of Children and Families in juvenile dependency and termination of parental rights proceedings</b>		32,991	270.30	8,917,471	
Civil Rights * <b>Number of cases investigated and prosecuted involving violations of civil rights</b>		61	7,454.70	454,737	
Solicitor General * <b>Number of cases</b>		489	3,366.96	1,646,445	
Opinions * <b>Number of Opinions Issued</b>		501	986.25	494,113	
Cabinet Support Services * <b>Number of Cabinet Meetings</b>		20	15,741.80	314,836	
Eminent Domain * <b>Cases representing the Department of Transportation and other government agencies in eminent domain proceedings.</b>		777	1,570.54	1,220,310	
Sexual Predator Civil Commitment Appeals * <b>Number of cases</b>		247	994.55	245,654	
Non-capital Criminal Appeals * <b>Number of cases - non-capital appellate litigation</b>		19,419	700.08	13,594,918	
Capital Appeals * <b>Number of cases - capital appellate litigation</b>		261	10,106.65	2,637,835	
Administrative Law * <b>Number of cases</b>		1,350	1,960.84	2,647,130	
Tax Law * <b>Number of cases enforcing, defending and collecting tax assessments</b>		1,090	1,420.64	1,548,496	
Civil Litigation Defense Of State Agencies * <b>Number of cases defending the state and its agents in litigation of appellate, corrections, employment, state programs and tort.</b>		3,000	3,120.61	9,361,822	
Grants-victims Of Crime Advocacy * <b>Number of victims served through grants.</b>		252,318	98.11	24,754,580	
Victim Notification * <b>Number of appellate services provided</b>		5,745	364.45	2,093,759	
Victim Compensation * <b>Number of victim compensation claims paid</b>		27,085	1,160.83	31,441,004	
Minority Crime Prevention Programs * <b>Number of crime prevention programs assisted</b>		6	1,096,526.83	6,579,161	
Grants-crime Stoppers * <b>Number of crime stopper agencies assisted</b>		29	149,425.76	4,333,347	
Crime Prevention/Training * <b>Number of people attending training</b>		4,276	135.40	578,984	
Investigation And Prosecution Of Multi-circuit Organized Crime-drugs * <b>Annual volume of investigations handled</b>		366	76.38	27,956	
Investigation And Prosecution Of Multi-circuit Organized Crime * <b>Annual volume of investigations handled/financial assessments</b>		696	10,808.52	7,522,730	
Prosecution Of Violations Of The Florida Election Code * <b>Number of prosecutions handled.</b>		303	4,298.75	1,302,522	
TOTAL				163,690,443	
SECTION III: RECONCILIATION TO BUDGET					
PASS THROUGHS					
TRANSFER - STATE AGENCIES					
AID TO LOCAL GOVERNMENTS					
PAYMENT OF PENSIONS, BENEFITS AND CLAIMS					
OTHER					
REVERSIONS				13,693,744	
TOTAL BUDGET FOR AGENCY (Total Activities + Pass Throughs + Reversions) - Should equal Section I above. (4)				177,384,187	

## SCHEDULE XI/EXHIBIT VI: AGENCY-LEVEL UNIT COST SUMMARY

(1) Some activity unit costs may be overstated due to the allocation of double budgeted items

(2) Expenditures associated with Executive Direction, Administrative Support and Information Technology have been allocated based on FTE. Other allocation methodologies could result in significantly different unit costs per activity

(3) Information for FCO depicts amounts for current year appropriations only. Additional information and systems are needed to develop meaningful FCO unit costs

(4) Final Budget for Agency and Total Budget for Agency may not equal due to rounding

**SCHEDULE IX: MAJOR AUDIT FINDINGS AND RECOMMENDATIONS**

**Budget Period: 2007 - 2008**

**Department:** Attorney General

**Chief Internal Auditor:** Judy Goodman

**Budget Entity:** 41100100

**Phone Number:** 850-414-3456

(1)	(2)	(3)	(4)	(5)	(6)
REPORT NUMBER	PERIOD ENDING	UNIT/AREA	SUMMARY OF FINDINGS AND RECOMMENDATIONS	SUMMARY OF CORRECTIVE ACTION TAKEN	ISSUE CODE
Auditor General Department of Legal Affairs Medicaid Fraud Control Unit Prior Audit Follow-up (Report 2008-012)	as of June 23, 2008	MFCU	1. MFCU should take steps to better ensure staff compliance with established procedures. Such steps might include enhanced supervisory monitoring of procedural compliance.	Our review of recent Medicaid Fraud Control Unit's files indicated that documentation related to the calculation of Medicaid overpayments was on file, as appropriate, in all cases examined and that supervisory monitoring was adequate.	
			2. The Department should coordinate efforts between MFCU and Finance and Accounting to ensure restitution amounts are timely remitted to AHCA.	Our review of payments remitted to the Agency for Health Care Administration indicated deposits were made within an average of 11.67 working days from their receipt. Working days to deposit ranged from five days to twenty-six days.	
				The Office of Inspector General concludes that the Medicaid Fraud Control Unit has implemented corrective actions as recommended in the Auditor General's Report 2008-012.	

Office of Policy and Budget - July 2008

**SCHEDULE IX: MAJOR AUDIT FINDINGS AND RECOMMENDATIONS**

**Budget Period: 2007 - 2008**

**Department:** Attorney General

**Chief Internal Auditor:** Judy Goodman

**Budget Entity:** 41100400

**Phone Number:** 850-414-3456

(1)	(2)	(3)	(4)	(5)	(6)
REPORT NUMBER	PERIOD ENDING	UNIT/AREA	SUMMARY OF FINDINGS AND RECOMMENDATIONS	SUMMARY OF CORRECTIVE ACTION TAKEN	ISSUE CODE
Audit 07-01 Office of Inspector General Audit of Victim Compensation Payments	19-Jun-08	Victims Compensation	The duties of recording, approving, and paying of claims should be segregated to deter and detect inconsistencies and errors in the processing of claims.	Not available - the status of implementation of recommendations has not been assessed at this time.	
			<b><u>We recommend:</u></b>		
			That accountability in the processing of Victims Compensation claims can be improved by implementing the following:		
			a. The Bureau of Victims Compensation should request documentation for how incidental funeral funds are spent after defining guidelines for incidental funeral expenses.		
			b. The Bureau of Victims Compensation should consider making payments only to health care providers; or if a victim is compensated directly, only 75% should be paid.		
			c. The Bureau of Victims Compensation should annualize the victim's salary in order to determine hourly rate before compensating for wage losses.		
			d. The vendor number database should be reviewed periodically and updated.		
			e. Claims analysts should follow up periodically on claims which haven't been maximized and contact victims to determine if payments should be made; or, alternatively, have the VAN program automatically send clients notification of impending time period expiration for payment of bills.		
			f. Victim Compensation payments should be adequately documented and payments made only from itemized invoices, not statements. Requests should be made for duplicate itemized invoices.		

			We recommend that Information Technology management reconsiders workloads to accommodate or make changes as needed to improve the VAN system to meet the following needs:		
			a. Capturing \$2,500 spent on mental health needs		
			b. Adding voids and refunds to the bills view in		
			c. Preventing kicking out multiple cost category payments		
			d. Paying to the nearest penny, not dollar		
			e. Continuous auditing subroutines should be developed by Information Technology or a computer specialist employed within the Bureau to assist the VAN staff in preventing and detecting erroneous or fraudulent claims and to enhance the efficient use of Bureau Resources. These routines could also be used to assist the staff in evaluating the effectiveness of the program. A database extraction could be analyzed periodically by Victims Compensation Quality Control to look for anomalies and overpayments in the VAN system		
			f. Improving Link analysis to reduce the need for manual operations		
			g. Researching the computer problem to improve linking archived domestic violence claims to lessen the inclusion of manual operations during the processing of claims		
			h. Advising clients of unpaid funds		
			i. Develop and implement an effective interface for applicants to determine on-line or via the phone whether their claims have been paid. The Attorney General might consider employing a computer specialist in the Victims Assistance area to meet VAN in-formation technology needs. Hardware needs would have to be addressed for interactive		
			<b><u>We recommend:</u></b>		
			a. The Victims Compensation area should evaluate the process to determine whether more training is needed by the Victim's advocates regarding determination of victims' eligibility.		
			b. Additional contact is maintained with the victim to "push payments" if funds remain unspent.		
			c. Management should develop a follow-up procedure to maximize payments to victims. Perhaps the VAN should be enhanced to process reminder letters advising the client the time period for reimbursement is going to expire and victims should direct the Victims Compensation Analysts as to which payments should be made. Benefit payments could be maximized to better serve the victims and health care providers. Analysts could routinely follow up with clients to evaluate payment of claims		



			d. Once eligibility has been denied by the claims analysts' management, pending bills should be set to "not payable" to differentiate them from eligible unpaid claims.		
			<b>We recommend:</b>		
			a. Guidelines as to what is allowable should be better defined. The focus should be upon moving expenses and costs associated with relocating. This should curtail frivolous expenditures and keep the focus on the intent of the program. The Victims Compensation area should monitor payments to supporting agencies on behalf of the victims and review supporting documentation on site-visits		
			b. Checks should be written directly to the moving company, utility company, or phone company, and not to the victim. Perhaps reimbursements should be written directly to crisis intervention centers, and they should be responsible for allocating funds adequately.		
			<b>We recommend:</b>		
			That the Victims Compensation program area should add income determination and property insurance confirmation before reimbursing those who have suffered losses.		
			<b>We recommend:</b>		
			Victims Compensation ensures compensating controls are implemented to ensure sexual battery tests paid for by the state are valid. Compensating controls could consist of:		
			· Continuing quarterly monitoring of payments to sexual battery test providers		
			· Utilizing continuous auditing routines analyzing payment history to providers to search for		
<hr/>					
<b>Audit Report 06-34</b>					
<b>Audit of the Divisions of Victim Services Bureau of Advocacy and Grants</b>	<b>23-Jun-08</b>	<b>Victim Services Bureau of Advocacy and Grants</b>	<b>1.1 We recommend</b> that the Bureau of Advocacy and Grants ensure that tangible property assets purchased with VOCA grant funds are recorded and reconciled in accordance with state and federal laws and guidelines.	The Procedures Manual was updated as of March 31, 2008 to ensure that tangible property assets purchased with VOCA grant funds were recorded and reconciled in accordance with state and federal laws and guidelines. A database revision was completed by Information Technology in the beginning of May to track equipment purchases.	

			1.2 We <b>recommend</b> management develop internal procedures that ensure tangible property purchased with VOCA grant funds is being kept in accordance with the Rules of the Auditor General, Chapter 10.300 and 10.350 and The Office of Justice Programs Financial Guide, Chapter 6.	The Procedures Manual was further updated to reflect the procedure for entering equipment purchase into the VOCA database. Equipment purchase for the 2006-2007 and 2007-2008 grant years have been entered into the VOCA database for inventory purposes and <u>appropriate tracking</u> .	
			1.3 We <b>recommend</b> the Bureau of Advocacy and Grants develop internal written policies and procedures for maintaining a perpetual inventory accounting for tangible property being purchased		
			2. We <b>recommend</b> that the Bureau of Advocacy and Grants request supporting documentation to support the \$249,987 expenditure by the subgrantee that includes proof of payment and identification and evidence of the equipment purchased. Additionally, written policies and procedures are needed that provide guidelines to ensure that expenditures are actual and allowable.	A database revision was completed by the Information Technology Section to track equipment purchases. The procedures Manual was updated accordingly to reflect the procedure for entering equipment purchases into the VOCA database. Equipment purchases for the 2006-2007 and 2007- 2008 grant years have been entered into the VOCA database for <u>appropriate tracking</u> .	
			3. We <b>recommend</b> that the Bureau of Advocacy and Grants write procedures that include the methodology for selecting subgrantees for monitoring visits and the grant managers who will conduct the on-site monitoring visit. Additionally, the bureau should establish procedures to ensure the segregation of duties when assigning grant managers their schedule of on-site monitoring visits.	The Procedures Manual was further updated to include the sub-grantee monitoring procedure that was developed by staff.	
			4. We <b>recommend</b> that the Bureau of Advocacy and Grants develop and implement a written procedure that requires subgrantees to report all non-recurring or variable expenditures throughout the grant period and to provide adequate back up documentation of these expenditures.	All corrective actions were completed as indicated in the Bureau's nine-month response.	
			5. We <b>recommend</b> that the Bureau of Advocacy and Grants form a committee charged with reviewing current procedures and forms and making recommendations for improvement. This committee should include representatives from the Bureau and each type of subgrantee (Local/State Government, Universities, and Non-Profits).	In lieu of creating an on-line tutorial, the bureau provided detailed instructions regarding completing the on-line grant forms on its webpage utilized by the subgrantees.	

			<p>6. <b>We recommend</b> that the Bureau of Advocacy and Grants provide adequate and specific training to all grant management staff on the cost principles established in OMB Circulars A-21, A-87 and A-122.</p>	<p>Several VOCA Grant Managers attended Advancing Accountability training offered by the Department of Financial Services on May 7, 2008 and the remaining grant managers received training on June 4,</p>	
			<p>7. <b>We recommend</b> that the Bureau of Advocacy and Grants establish procedures in accordance with the <i>Office of Justice Programs Financial Guide</i>, Chapter 19 that allow for monitoring and tracking audit reports to resolve any open audit findings.</p>	<p>An OPS employee was hired on 5/14/2007 to develop a correspondence system to notify VOCA subgrantees about audit findings and request responses.</p>	
				<p>Recently, the Bureau developed a Grant Manager II position that was filled (2/22/2008). This staff member is responsible for monitoring audit finding and communicating with VOCA subgrantees.</p>	

Office of Policy and Budget - July 2008

**SCHEDULE IX: MAJOR AUDIT FINDINGS AND RECOMMENDATIONS**

**Budget Period: 2007 - 2008**

**Department:** Attorney General

**Chief Internal Auditor:** Judy Goodman

**Budget Entity:** 41100500

**Phone Number:** 850-414-3456

(1)	(2)	(3)	(4)	(5)	(6)
REPORT NUMBER	PERIOD ENDING	UNIT/AREA	SUMMARY OF FINDINGS AND RECOMMENDATIONS	SUMMARY OF CORRECTIVE ACTION TAKEN	ISSUE CODE
<p><b>Follow-up Report on the Auditor General's Operational Audit of the Department of Legal Affairs Selected Administrative Functions and Follow-up on Selected Prior Audit Findings (Report 2008-021)</b></p>	<p>as of April 2, 2008</p>	<p>Various</p>	<p>1. The Department should continue current efforts to establish billing rates that reflect the current cost of services. We also recommend that the sufficiency of the rates be evaluated on an annual basis and that documentation be maintained to demonstrate that rates are consistent with costs.</p>	<p>As of May 15, 2007, the Department approved a change in rates following a review of the rate structure and the cost of providing legal services to agencies through retainer contracts. The OAG will monitor the rate annually and consider adjusting rates when necessary.</p>	
			<p>2. The Department should review Application Development and Administration staff access privileges to ensure access is limited to that needed for their areas of responsibility. Specifically, Application Development and Administration programming staff should not be able to move programs into production and should not have ongoing access allowing the update of production</p>	<p>Management relies upon various internal controls and oversight to mitigate associated risk. Additional subsequent review of existing access rights by Information Technology staff resulted in further restrictions for three involved in the Notes Environment.</p>	
			<p>3. The Department should ensure that, in instances in which temporary transfers are necessary to meet operating requirements, appropriate prior approval from the Executive Office of the Governor is obtained and interfund receivables and payables are properly recorded in the accounting records. Furthermore, the Department should assess current funding and collection processes for legal services and determine a long-term solution to address the funding needs of the Trust Fund</p>	<p>Budget amendment EOG#00026-001 provided temporary loan authority for the current fiscal year and was approved on 07/01/2007. The OIG concludes additional time is needed to evaluate the long-term needs of the department to determine whether further temporary transfers are needed.</p>	

			4. The Department should ensure that an appropriate separation of duties is established and maintained for all cash collection functions, checks are restrictively endorsed upon receipt, and original check logs are verified and retained. Additionally, the Department should limit the employees authorized to collect cash to only those essential to the various collection functions and maintain a control listing of those employees for both central and field offices.	Finance and Accounting management reported that a meeting was conducted to discuss cash collection procedures and submission of a revised cash collection form. They sent an e-mail requesting other Attorney General divisions provide updates to the list of staff authorized to pick up cash/checks from the mailroom. Finance and Accounting also requested that only staff essential to complete this task be identified. The OIG noted a list was obtained for Central Office staff.	
				As recommended by the Auditor General Report, Economic Crimes maintains the original cash collection form received from the field and forwards it along with the check to Finance and Accounting.	
				After a short period of separating the cash receipt duties, Economic Crimes staff acknowledged that on occasion the person who maintains the accounts receivable books also processes the checks.	
				The Antitrust division obtained and utilizes a restrictive endorsement stamp.	
			5. The Department should take necessary action to ensure that accounts receivable are properly recorded in accounting records and accounting records are periodically reconciled to subsidiary records maintained by the program areas.	A form has been developed by Finance and Accounting for recording of new accounts receivable. At the time of this review, the Finance and Accounting Division began reconciling accounts receivable but the process is not complete for all divisions of the OAG.	
			6. The Department should take necessary action to ensure appropriate justifications for write-offs are obtained from attorneys prior to submitting accounts to the Department of Financial Services for further action. Additionally, policies and procedures should be enhanced to require program-level supervisory approval for receivable write-offs as a means to reduce the risk of loss. Such approvals should be documented on all write-off justifications provided to Finance and Accounting. Furthermore, the Department should ensure that an appropriate separation of duties or an adequate compensating control is established for the receivables write-off process within Finance and Accounting. The Department should also ensure that it is not	As a result of our review we determined the process of writing off aged delinquent accounts receivable has not been completed. According to Finance and Accounting, policy revisions will establish requirements for approval of writing accounts off by the appropriate Division Directors. Finance and Accounting is in the process of identifying staff to prepare write-off requests and implement review by F&A Director II prior to submission to DFS.	

				We determined that Economic Crimes has recently implemented a procedure which details collection efforts made before authorizing accounts to be written off. Other divisions are to follow by developing procedures for addressing collection efforts and to authorize accounts receivable to be written off.	
				According to Finance and Accounting, separation of duties issues will be addressed upon implementation of the requirement of Division Director approval of writing	
			7. Given the current technological environment and availability of Web-based resources, as well as the expressed difficulty of obtaining research materials from governmental entities, the Legislature should consider amending or repealing those provisions of Section 16.58, Florida Statutes, related to the Statewide Legal Research Bank.	As of February 28, 2008, the Florida Statute the Florida Statute had not been amended. Changing the statute could possibly be addressed in a statute revision bill according to Administrative staff.	
			8. The Department should ensure that each employee, upon hire and annually thereafter, acknowledge the review of and intended compliance with the Code.	The Human Resources Manager reported they strengthened their employee review and acknowledgement of all OAG policies, including the Code of Ethics. They reported the agency has also developed a new electronic OAG Policy Manual which incorporates an automatic notification and reporting of employee policy acknowledgements for all new employees and for each annual period beginning Jan 1, 2009.	
				A review of certifications by Information Technology staff indicated compliance for most new employees, however; certifications were not provided for previously employed staff.	

			<p>9. The Department should continue efforts to discourage personal use of State wireless communication devices, ensure Department policies and procedures+D125 are followed, and establish and implement procedures to require independent or supervisory reviews of samples of cell phone invoices.</p>	<p>Finance and Accounting reports that an Assignment of State Owned Wireless Form was developed and disseminated to the current wireless device holders for completion. Beginning 11/19/07, each new assignment of a wireless device required the completion of a form. In addition, the Cell Phone Certification Form was revised to address the requirements for reporting and reimbursing for personal usage. The forms include a space for supervisor review and approval of the invoice. Supervisor approval of cell phone invoices will be required on a random basis</p>	
				<p>Finance and Accounting advises they are considering options to automate the review of cell phone use which should streamline the process and provide for better management reporting.</p>	
			<p>10. To reduce the risk of purchasing card misuse and to strengthen key Purchasing Card Program controls, the Department should review cardholder transactions and limits for reasonableness and consider reducing transaction limits, as appropriate. Additionally, the Department should maintain a current, approved Plan and obtain DFS approval for changes to the Plan prior to implementing such changes.</p>	<p>The department's revised P-Card plan was approved by the Department of Financial Services. However; spending limits were not reduced for most card holders. According to Finance and Accounting management, the Cardholder Administrator reviews activity for atypical vendors, large transaction amounts, and to ensure cardholder credit limits are in line with activity</p>	
			<p>11. The Department should pursue legislative clarification regarding the statutory maximum fund balance allowable in the Legal Affairs Revolving Trust Fund.</p>	<p>Administrative Services management reports that the OAG drafted an amendment to clarify that the funds in the Legal Affairs Revolving trust fund are not limited to the antitrust and racketeering sections but include additional economic crimes. The amendment language was provided to Legislative Affairs and according to Administrative Services staff will be submitted as an amendment if a suitable bill can be identified. In conclusion, although suggestions were made for change, the Statute was not amended</p>	

			<p>12. The Department should take steps to ensure that revolving fund subaccount transaction records are timely reconciled to bank statements and that interest earnings are deposited to the State Treasury within thirty days of receipt. Additionally, the Department should develop and implement written policies and procedures for all revolving funds that will incorporate the internal controls necessary to ensure proper separation of duties and independent verification of bank account activities.</p>	<p>Checking account custodial duties have been segregated. The reconciliation of the revolving fund activity has been assigned to a staff member that is not identified as the Custodian. Finance and Accounting staff acknowledge although reconciliations and return of interest earned are to be completed on a monthly basis; interest has not been distributed timely in all cases.</p>	
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Office of Policy and Budget - July 2008



# LBR Technical Review Checklist

Department/Budget Entity (Service): Department of Legal Affairs
Agency Budget Officer/OPB Analyst Name: Sarah Nortelus/Melissa Patino

A "Y" indicates "YES" and is acceptable, an "N/J" indicates "NO/Justification Provided" - these require further explanation/justification (additional sheets can be used as necessary), and "TIPS" are other areas to consider.

Action	Program or Service (Budget Entity Codes)			
	41100xxx	41200100	4130100	

<b>1. GENERAL</b>					
1.1	Are Columns A01, A02, A04, A05, A10, A11, A36, IA1, IV1, IV3 and NV1 set to TRANSFER CONTROL for DISPLAY status and MANAGEMENT CONTROL for UPDATE status for both the Budget and Trust Fund columns? Are Columns A06, A07, A08 and A09 for Fixed Capital Outlay set to TRANSFER CONTROL for DISPLAY status only? <b>(CSDI)</b>	X	X	X	
1.2	Is Column A03 set to TRANSFER CONTROL for DISPLAY and UPDATE status for both the Budget and Trust Fund columns? <b>(CSDI)</b>	X	X	X	
<b>AUDITS:</b>					
1.3	Has Column A03 been copied to Column A12? Run the Exhibit B Audit Comparison Report to verify. <b>(EXBR, EXBA)</b>	X	X	X	
1.4	Has security been set correctly? <b>(CSDR, CSA)</b>	X	X	X	
<b>TIP</b>	The agency should prepare the budget request for submission in this order: 1) Lock columns as described above; 2) copy Column A03 to Column A12; and 3) set Column A12 column security to ALL for DISPLAY status and MANAGEMENT CONTROL for UPDATE status.				
<b>2. EXHIBIT A (EADR, EXA)</b>					
2.1	Is the budget entity authority and description consistent with the agency's LRPP and does it conform to the directives provided on page 53 of the LBR Instructions?	X	X	X	
2.2	Are the statewide issues generated systematically (estimated expenditures, nonrecurring expenditures, etc.) included?	X	X	X	
2.3	Are the issue codes and titles consistent with <i>Section 3</i> of the LBR Instructions (pages 15 through 25)? Do they clearly describe the issue?	X	X	X	
2.4	Have the coding guidelines in <i>Section 3</i> of the LBR Instructions (pages 15 through 25) been followed?	X	X	X	
<b>3. EXHIBIT B (EADR, EXB)</b>					
3.1	Is it apparent that there is a fund shift and were the issues entered into LAS/PBS correctly? Check D-3A funding shift issue 340XXX0 - a unique deduct and unique add back issue should be used to ensure fund shifts display correctly on the LBR exhibits.	X	X	X	

Action		Program or Service (Budget Entity Codes)				
		41100xxx	41200100	4130100		
<b>AUDITS:</b>						
3.2	Negative Appropriation Category Audit for Agency Request (Columns A03 and A04): Are all appropriation categories positive by budget entity at the FSI level? Are all nonrecurring amounts less than requested amounts? <b>(NACR, NAC - Report should print "No Negative Appropriation Categories Found")</b>	X	X	X		
3.3	Current Year Estimated Verification Comparison Report: Is Column A02 equal to Column B02? <b>(EXBR, EXBC - Report should print "Records Selected Net To Zero")</b>	X	X	X		
TIP	Generally look for and be able to fully explain significant differences between A02 and A03.					
TIP	Exhibit B - A02 equal to B02: Compares Current Year Estimated column to a backup of A02. This audit is necessary to ensure that the historical detail records have not been adjusted. Records selected should net to zero.					
TIP	Requests for appropriations which require advance payment authority must use the sub-title "Grants and Aids". For advance payment authority to local units of government, the Aid to Local Government appropriation category (05XXXX) should be used. For advance payment authority to non-profit organizations or other units of state government, the Special Categories appropriation category (10XXXX) should be used.					
<b>4. EXHIBIT D (EADR, EXD)</b>						
4.1	Is the program component objective statement consistent with the agency LRPP, and does it conform to the directives provided on page 56 of the LBR Instructions?	X	X	X		
4.2	Is the program component code and title used correct?	X	X	X		
TIP	Fund shifts or transfers of services or activities between program components will be displayed on an Exhibit D whereas it may not be visible on an Exhibit A.					
<b>5. EXHIBIT D-1 (ED1R, EXD1)</b>						
5.1	Are all object of expenditures positive amounts? (This is a manual check.)					
<b>AUDITS:</b>						
5.2	Do the fund totals agree with the object category totals within each appropriation category? <b>(ED1R, XD1A - Report should print "No Differences Found For This Report")</b>	X	X	X		
5.3	FLAIR Expenditure/Appropriation Ledger Comparison Report: Is Column A01 less than Column G07? <b>(EXBR, EXBB - Negative differences need to be corrected in Column A01.)</b>	X	X	X		
5.4	A01/State Accounts Disbursements and Carry Forward Comparison Report: Does Column A01 equal Column G08? <b>(EXBR, EXBD - Differences need to be corrected in Column A01.)</b>	X	X	X		
TIP	If objects are negative amounts, the agency must make adjustments to Column A01 to correct the object amounts. In addition, the fund totals must be adjusted to reflect the adjustment made to the object data.					

Action		Program or Service (Budget Entity Codes)				
		41100xxx	41200100	4130100		
TIP	If fund totals and object totals do not agree or negative object amounts exist, the agency must adjust Column A01.					
TIP	Exhibit B - A01 less than G07: This audit is to ensure that the disbursements and carry/certifications forward in A01 are less than FY 2007-08 approved budget. Amounts should be positive.					
TIP	If G08 is not equal to A01, check the following: 1) the initial FLAIR disbursements or carry forward data load was corrected appropriately in A01; 2) the disbursement data from departmental FLAIR was reconciled to State Accounts; and 3) the FLAIR disbursements did not change after Column G08 was created.					
<b>6. EXHIBIT D-3 (ED3R, ED3) (Not required in the LBR - for analytical purposes only.)</b>						
6.1	Are issues appropriately aligned with appropriation categories?	X	X	X		
TIP	Exhibit D-3 is no longer required in the budget submission but may be needed for this particular appropriation category/issue sort. Exhibit D-3 is also a useful report when identifying negative appropriation category problems.					
<b>7. EXHIBIT D-3A (EADR, ED3A)</b>						
7.1	Are the issue titles correct and do they clearly identify the issue? (See pages 15 through 29 of the LBR Instructions).	X	X	X		
7.2	Does the issue narrative adequately explain the agency's request and is the explanation consistent with the LRPP? (See page 62 of the LBR Instructions.)	X	X	X		
7.3	Does the narrative for Information Technology (IT) issue follow the additional narrative requirements described on pages 63 and 64 of the LBR Instructions?	X	X	X		
7.4	Are all issues with an IT component identified with a "Y" in the "IT COMPONENT?" field? If the issue contains an IT component, has that component been identified and documented?	X	X	X		
7.5	Does the issue narrative explain any variances from the Standard Expense, Operating Capital Outlay (OCO), and Human Resource Services Assessments package? Is the nonrecurring portion in the nonrecurring column? (See pages E-4 and E-5 of the LBR Instructions).	X	X	X		
7.6	Does the salary rate request amount accurately reflect any new requests and are the amounts proportionate to the Salaries and Benefits request? Note: Salary rate should always be annualized.	X	X	X		
7.7	Does the issue narrative thoroughly explain/justify all Salaries and Benefits amounts entered into the Other Salary Amounts transactions (OADA/C)? Amounts entered into OAD are reflected in the Position Detail of Salaries and Benefits section of the Exhibit D-3A.	X	X	X		
7.8	Does the issue narrative include the Consensus Estimating Conference forecast, where appropriate?	n.a.	n.a.	n.a.		
7.9	Does the issue narrative reference the specific county(ies) where applicable?	X	X	X		

Action		Program or Service (Budget Entity Codes)				
		41100xxx	41200100	4130100		
7.10	Do the 160XXX0 issues reflect budget amendments that have been approved (or in the process of being approved) and that have a recurring impact (including Lump Sums)? Have the approved budget amendments been entered in Column A18 as instructed in Memo #09-002?	X	X	X		
7.11	When appropriate are there any 160XXX0 issues included to delete positions placed in reserve in the OPB Position and Rate Ledger (e.g. unfunded grants)? Note: Lump sum appropriations not yet allocated should <u>not</u> be deleted. <b>(PLRR, PLMO)</b>	N.A.	N.A.	N.A.		
7.12	Does the issue narrative include plans to satisfy additional space requirements when requesting additional positions?	X	X	X		
7.13	Has the agency included a 160XXX0 issue and 210XXXX and 260XXX0 issues as required for lump sum distributions?	N.A.	N.A.	N.A.		
7.14	Do the amounts reflect appropriate FSI assignments?	X	X	X		
7.15	Do the issues relating to <i>salary and benefits</i> have an "A" in the fifth position of the issue code (XXXXAXX) and are they self-contained (not combined with other issues)? (See page 24 and 80 of the LBR Instructions.)	N.A.	N.A.	N.A.		
7.16	Do the issues relating to <i>Information Technology (IT)</i> have a "C" in the sixth position of the issue code (36XXXXCX) and are the correct issue codes used (361XXC0, 362XXC0 or 363XXC0)?	X	X	X		
7.17	Are the issues relating to <i>major audit findings and recommendations</i> properly coded (4A0XXX0, 4B0XXX0)?	N.A.	N.A.	N.A.		
<b>AUDIT:</b>						
7.18	Are all FSI's equal to '1', '2', '3', or '9'? There should be no FSI's equal to '0'. <b>(EADR, FSIA - Report should print "No Records Selected For Reporting")</b>	X	X	X		
TIP	Salaries and Benefits amounts entered using the OADA/C transactions must be thoroughly justified in the D-3A issue narrative. Agencies can run <b>OADA/OADR</b> from STAM to identify the amounts entered into OAD and ensure these entries have been thoroughly explained in the D-3A issue narrative.					
TIP	The issue narrative must completely and thoroughly explain and justify each D-3A issue. Agencies must ensure it provides the information necessary for the OPB and legislative analysts to have a complete understanding of the issue submitted. Thoroughly review pages 61 through 64 of the LBR Instructions.					
TIP	Check BAPS to verify status of budget amendments. Check for reapprovals not picked up in the General Appropriations Act. Verify that Lump Sum appropriations in Column A02 do not appear in Column A03. Review budget amendments to verify that 160XXX0 issue amounts correspond accurately and net to zero for General Revenue funds.					

Action		Program or Service (Budget Entity Codes)				
		41100xxx	41200100	4130100		
TIP	If an agency is receiving federal funds from another agency the FSI should = 9 (Transfer - Recipient of Federal Funds). The agency that originally receives the funds directly from the federal agency should use FSI = 3 (Federal Funds).					
TIP	If an appropriation made in the FY 2008-09 General Appropriations Act duplicates an appropriation made in substantive legislation, the agency must create a unique deduct nonrecurring issue to eliminate the duplicated appropriation. Normally this is taken care of through line item veto.					
<b>8. SCHEDULE I &amp; RELATED DOCUMENTS (SC1R, SC1 - Budget Entity Level or SC1R, SC1D - Department Level)</b>						
8.1	Has a separate department level Schedule I and supporting documents package been submitted by the agency?	X	X	X		
8.2	Has a Schedule I been completed in LAS/PBS for each operating trust fund?	X	X	X		
8.3	Have the appropriate Schedule I supporting documents been included for the trust funds (Schedule IA, Schedule IB, Schedule IC, and Reconciliation to Trial Balance)?	X	X	X		
8.4	Have the Examination of Regulatory Fees Part I and Part II forms been included for the applicable regulatory programs?	X	X	X		
8.5	Have the required detailed narratives been provided (5% trust fund reserve narrative; method for computing the distribution of cost for general management and administrative services narrative; adjustments narrative; revenue estimating methodology narrative)?	X	X	X		
8.6	Has the Inter-Agency Transfers Reported on Schedule I form been included as applicable for transfers totaling \$100,000 or more for the fiscal year?	X	X	X		
8.7	If the agency is scheduled for the annual trust fund review this year, have the Schedule ID and applicable draft legislation been included for recreation, modification or termination of existing trust funds?	X	X	X		
8.8	If the agency is scheduled for the annual trust fund review this year, have the necessary trust funds been requested for creation pursuant to <i>section 215.32(2)(b), Florida Statutes</i> - including the Schedule ID and applicable legislation?	X	X	X		
8.9	Are the revenue codes correct? In the case of federal revenues, has the agency appropriately identified direct versus indirect receipts (object codes 000700, 000799, 001510 and 001599)?	X	X	X		
8.10	Are the statutory authority references correct?	X	X	X		
8.11	Are the General Revenue Service Charge percentage rates used for each revenue source correct? (Refer to Section 215.20, F.S. for appropriate general revenue service charge percentage rates.)	X	X	X		
8.12	Is this an accurate representation of revenues based on the most recent Consensus Estimating Conference forecasts?	N.A.	N.A.	N.A.		

Action		Program or Service (Budget Entity Codes)				
		41100xxx	41200100	4130100		
8.13	If there is no Consensus Estimating Conference forecast available, do the revenue estimates appear to be reasonable?	X	X	X		
8.14	Are the federal funds revenues reported in Section I broken out by individual grant? Are the correct CFDA codes used?	X	X	X		
8.15	Are anticipated grants included and based on the state fiscal year (rather than federal fiscal year)?	X	X	X		
8.16	Are the Schedule I revenues consistent with the FSI's reported in the Exhibit D-3A?	X	X	X		
8.17	If applicable, are nonrecurring revenues entered into Column A04?	N.A.	N.A.	N.A.		
8.18	Has the agency certified the revenue estimates in columns A02 and A03 to be the latest and most accurate available?	X	X	X		
8.19	Is a 5% trust fund reserve reflected in Section II? If not, is sufficient justification provided for exemption? Are the additional narrative requirements provided?	X	X	X		
8.20	Are appropriate service charge nonoperating amounts included in Section II?	X	X	X		
8.21	Are nonoperating expenditures to other budget entities/departments cross-referenced accurately?	X	X	X		
8.22	Do transfers balance between funds (within the agency as well as between agencies)? (See also 8.6 for required transfer confirmation of amounts totaling \$100,000 or more.)	X	X	X		
8.23	Are nonoperating expenditures recorded in Section II and adjustments recorded in Section III?	X	X	X		
8.24	Are prior year September operating reversions appropriately shown in column A01?	X	X	X		
8.25	Are current year September operating reversions appropriately shown in column A02?	X	X	X		
8.26	Does the Schedule IC properly reflect the unreserved fund balance for each trust fund as defined by the LBR Instructions, and is it reconciled to the agency accounting records?	X	X	X		
8.27	Does Column A01 of the Schedule I accurately represent the actual prior year accounting data as reflected in the agency accounting records, and is it provided in sufficient detail for analysis?	X	X	X		
8.28	Does Line I of Column A01 (Schedule I) equal Line K of the Schedule IC?	X	X	X		
<b>AUDITS:</b>						
8.29	Is Line I a positive number? (If not, the agency must adjust the budget request to eliminate the deficit).	X	X	X		

Action		Program or Service (Budget Entity Codes)				
		41100xxx	41200100	4130100		
8.30	Is the June 30 Adjusted Unreserved Fund Balance (Line I) equal to the July 1 Unreserved Fund Balance (Line A) of the following year? <b>(SC1R, SC1A - Report should print "No Discrepancies Exist For This Report")</b>	X	X	X		
8.31	Has a Department Level Reconciliation been provided for each trust fund and does Line A of the Schedule I equal the CFO amount? If not, the agency must correct Line A. <b>(SC1R, DEPT)</b>	X	X	X		
TIP	The Schedule I is the most reliable source of data concerning the trust funds. It is very important that this schedule is as accurate as possible!					
TIP	Determine if the agency is scheduled for trust fund review. (See page 119 of the LBR Instructions.)					
TIP	Review the unreserved fund balances and compare revenue totals to expenditure totals to determine and understand the trust fund status.					
TIP	Typically nonoperating expenditures and revenues should not be a negative number. Any negative numbers must be fully justified.					
<b>9. SCHEDULE II (PSCR, SC2)</b>						
AUDIT:						
9.1	Is the pay grade minimum for salary rate utilized for positions in segments 2 and 3? <b>(BRAR, BRAA - Report should print "No Records Selected For This Request")</b> Note: Amounts other than the pay grade minimum should be fully justified in the D-3A issue narrative. (See <i>Base Rate Audit</i> on page 150 of the LBR Instructions.)	X	X	X		
<b>10. SCHEDULE III (PSCR, SC3)</b>						
10.1	Is the appropriate lapse amount applied in Segment 3? (See page 82 of the LBR Instructions.)	X	X	X		
10.2	Are amounts in <i>Other Salary Amount</i> appropriate and fully justified? (See page 89 of the LBR Instructions for appropriate use of the OAD transaction.) Use <b>OADI</b> or <b>OADR</b> to identify agency other salary amounts requested.	X	X	X		
<b>11. SCHEDULE IV (EADR, SC4)</b>						
11.1	Are the correct Information Technology (IT) issue codes used?	X	X	X		
TIP	If IT issues are not coded correctly (with "C" in 6th position), they will not appear in the Schedule IV.					
<b>12. SCHEDULE VIIIA (EADR, SC8A)</b>						
12.1	Is there only one #1 priority, one #2 priority, one #3 priority, etc. reported on the Schedule VIII-A? Are the priority narrative explanations adequate?	X	X	X		
<b>13. SCHEDULE VIIIB-1</b>						
13.1	This schedule is not required in the October 15, 2008 LBR submittal.					

Action		Program or Service (Budget Entity Codes)				
		41100xxx	41200100	4130100		
<b>14. SCHEDULE VIII B-2 (EADR, S8B2)</b>						
14.1	Do the reductions comply with the instructions provided on pages 95 and 96 of the LBR Instructions regarding a 10% reduction in recurring General Revenue and Trust Funds?	X	X	X		
<b>15. SCHEDULE XI (LAS/PBS Web - see page 102 of the LBR Instructions for detailed instructions)</b>						
15.1	Has the Schedule XI one page summary been e-mailed to OPB? Agencies are required to generate this spreadsheet via the LAS/PBS Web. (Note: Pursuant to <i>section 216.023(4) (b), Florida Statutes</i> , the Legislature can reduce the funding level for any agency that does not provide this information.)	X	X	X		
<b>AUDITS INCLUDED IN THE SCHEDULE XI REPORT:</b>						
15.2	Does the FY 2007-08 Actual (prior year) Expenditures in Column A36 reconcile to Column A01? ( <b>GENR, ACT1</b> )	X	X	X		
15.3	None of the executive direction, administrative support and information technology statewide activities (ACT0010 thru ACT0490) have output standards (Record Type 5)? ( <b>Audit #1 should print "No Activities Found"</b> )	X	X	X		
15.4	Does the Fixed Capital Outlay (FCO) statewide activity (ACT0210) only contain 08XXXX or 14XXXX appropriation categories? ( <b>Audit #2 should print "No Operating Categories Found"</b> )	N.A.	N.A.	N.A.		
15.5	Has the agency provided the necessary demand (Record Type 5) for all activities which <u>should</u> appear in Section II? (Note: Audit #3 will identify those activities that do NOT have a Record Type '5' and have not been identified as a 'Pass Through' activity. These activities will be displayed in Section III with the 'Payment of Pensions, Benefits and Claims' activity and 'Other' activities. Verify if these activities should be displayed in Section III. If not, an output standard would need to be added for that activity and the Schedule XI submitted again.)	X	X	X		
15.6	Does Section I (Final Budget for Agency) and Section III (Total Budget for Agency) equal? ( <b>Audit #4 should print "No Discrepancies Found"</b> )	X	X	X		
TIP	If Section I and Section III have a small difference, it may be due to rounding and therefore will be acceptable.					
<b>16. MANUALLY PREPARED EXHIBITS &amp; SCHEDULES</b>						
16.1	Do exhibits and schedules comply with LBR Instructions (pages 103 through 147 of the LBR Instructions), and are they accurate and complete?	X	X	X		
16.2	Are appropriation category totals comparable to Exhibit B, where applicable?	X	X	X		
16.3	Are agency organization charts (Schedule X) provided and at the appropriate level of detail?	X	X	X		



Action	Program or Service (Budget Entity Codes)				
	41100xxx	41200100	4130100		

**AUDITS - GENERAL INFORMATION**

TIP	Review <i>Section 6: Audits</i> of the LBR Instructions for a list of audits and their descriptions.				
TIP	Reorganizations may cause audit errors. Agencies must indicate that these errors are due to an agency reorganization to justify the audit error.				
<b>17. CAPITAL IMPROVEMENTS PROGRAM (CIP)</b>					
17.1	Are the CIP-2, CIP-3, CIP-A and CIP-B forms included?	X	X	X	
17.2	Are the CIP-4 and CIP-5 forms submitted when applicable (see CIP Instructions)?	NA	NA	NA	
17.3	Do all CIP forms comply with CIP Instructions where applicable (see CIP Instructions)?	NA	NA	NA	
17.4	Does the agency request include 5 year projections (Columns A03, A06, A07, A08 and A09)?	NA	NA	NA	
17.5	Are the appropriate counties identified in the narrative?	NA	NA	NA	
TIP	Requests for Fixed Capital Outlay appropriations which are Grants and Aids to Local Governments and Non-Profit Organizations must use the Grants and Aids to Local Governments and Non-Profit Organizations - Fixed Capital Outlay major appropriation category (140XXX) and include the sub-title "Grants and Aids". These appropriations utilize a CIP-B form as justification.				