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**Department of Labor and Industry**

This report documents six issues noted during our financial-compliance audit of the Department of Labor and Industry (department) for the two fiscal years ended June 30, 2005. The previous audit report contained five recommendations. The department implemented all five recommendations.

We issued an unqualified opinion on the financial schedules presented in this report. This means the reader can rely on the presented financial information and the supporting detailed information on the primary accounting records.

The listing below serves as a means of summarizing the recommendations contained in the report, the department's response thereto, and a reference to the supporting comments.

Recommendation #1

We recommend the department establish procedures to:

- A. Ensure all collections are immediately logged in an appropriate receipt log.
- B. Periodically reconcile the receipt log to deposit information.
- C. Ensure collections are deposited in a timely manner as required by state law. .... 9

Department Response: Concur. See page B-4.

Recommendation #2

We recommend the department monitor documentation to ensure all licenses printed are tied to a receipt or documentation exists of why a license was printed without a payment..... 9

Department Response: Concur. See page B-4.

Recommendation #3

We recommend the department:

- A. Comply with the state laws noted above.
- B. If necessary, seek legislation to amend the laws..... 12

Department Response: Concur. See page B-4.

## Report Summary

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### Recommendation #4

We recommend the department:

- A. Continue to work with Department of Administration personnel to ensure the Cash Management Improvement Act agreement terms are reasonable for the department's federal programs included in the agreement.
- B. Comply with the terms of the Cash Management Improvement Act agreement. .... 13

Department Response: Concur. See page B-5.

### Recommendation #5

We recommend the department follow and periodically re-evaluate policy to ensure reasonableness of the net receivable for the Uninsured Employee Fund..... 15

Department Response: Concur. See page B-5.

### Recommendation #6

We recommend the department comply with department and state purchasing rules and regulations for all applicable purchases. .... 16

Department Response: Concur. See page B-5.