



Department of Environmental Protection Office of Inspector General

ANNUAL REPORT – FISCAL YEAR 2013-2014



Candace M. Fuller
Inspector General



Herschel T. Vinyard Jr.
Secretary



**FLORIDA DEPARTMENT OF
ENVIRONMENTAL PROTECTION**

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HERSCHEL T. VINYARD JR.
SECRETARY

September 23, 2014

TO: Herschel T. Vinyard Jr.

FROM: Candace M. Fuller
Inspector General

A handwritten signature in blue ink, appearing to be 'CF', written over the name 'Candace M. Fuller'.

SUBJECT: Office of Inspector General's Annual Report for FY 2013-2014

I am pleased to present the results of the Office of Inspector General's accomplishments for Fiscal Year 2013-2014. This report was prepared in accordance with Section 20.055, Florida Statutes, outlines the major accomplishments for this office and documents the audits and investigations that fall within our jurisdiction.

On behalf of the Office of Inspector General staff, I would like to thank all Department Managers and staff for their assistance and cooperation throughout the year. I would like to also thank Department employees, and citizens who reported suspected fraud, waste, abuse, and misconduct.

We look forward to working with you and our fellow Department of Environmental Protection employees in meeting the challenges and opportunities that face the Department. We are committed to promoting accountability and integrity and continuing our efforts to detect and prevent fraud, waste, abuse, and mismanagement in Department programs. Thank you for your continued support.

CF/mr

cc: Melinda Miguel
Chief Inspector General

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EXECUTIVE SUMMARY

Agency Background

The Florida Department of Environmental Protection (DEP) is one of the more diverse agencies in state government. More than 3,725 DEP employees serve the people of Florida. In addition to protecting the State’s air and water quality and ensuring proper waste management, DEP is responsible for managing State Parks, recreational trails, and other areas for outdoor activities.

Purpose of Annual Report

This report, required by Section 20.055 (7) Florida Statutes, (F.S.) summarizes the activities and accomplishments of the DEP, Office of Inspector General (OIG), during Fiscal Year (FY) 2013 - 2014.

This report includes, but is not limited to, the following:

- A description of activities relating to the development, assessment and validation of performance measures.
- A description of significant abuses and deficiencies relating to the administration of agency programs and operations disclosed by investigations, audits, reviews, or other activities during the reporting period.
- A description of the recommendations for corrective action made by the OIG during the reporting period, with respect to significant problems, abuses, or deficiencies identified.
- The identification of each significant recommendation described in previous annual reports on which correction action has not been completed.
- A summary of each audit and investigation completed during the reporting period.

Mission Statement and Objectives

The mission of the OIG is to promote integrity, accountability and efficiency in DEP. The OIG conducts independent and objective audits, investigations, and reviews of agency issues and programs in order to assist DEP in protecting, conserving, and managing Florida's environmental and natural resources.

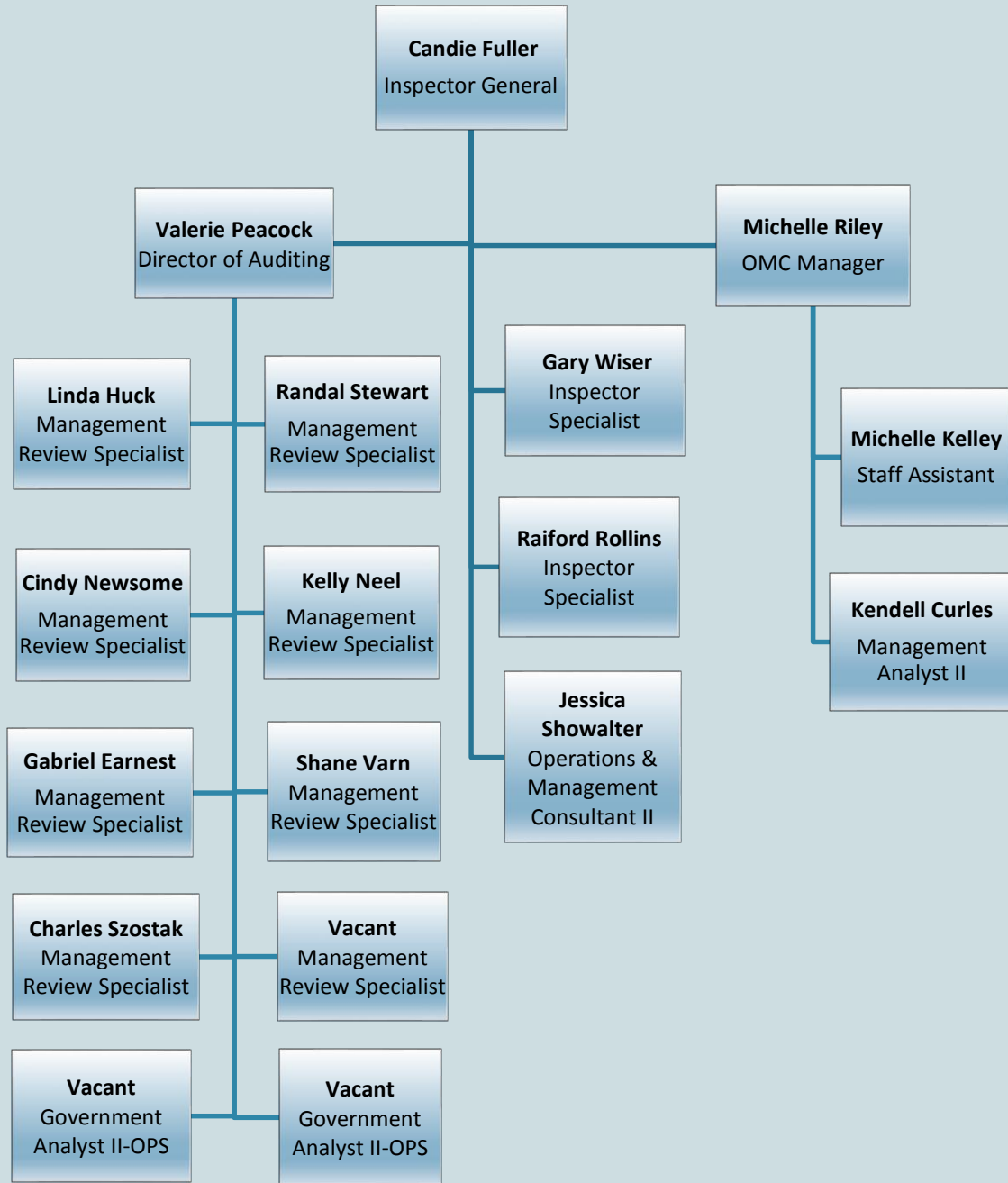
Investigations, reviews, and audits are informative, logical, supported, and timely regarding issues and matters of importance to DEP.

The duties and responsibilities of the Inspector General include:

- Advise in the development of performance measures, standards, and procedures for evaluating agency programs, assess the reliability and validity of performance measures, and make recommendations for improvement.
- Review the actions taken by the agency to improve program performance and meet program standards, while making recommendations for improvement, if necessary.
- Provide direction for, supervise, and coordinate audits, investigations, and management reviews relating to DEP's operations.
- Conduct, supervise, and coordinate other activities to promote economy and efficiency and activities designed to prevent and detect fraud and abuse in DEP.
- Keep the Secretary and Chief Inspector General (CIG) informed concerning fraud, waste, abuse and deficiencies in programs and operations, recommend corrective action, and provide progress reports.
- Ensure effective coordination and cooperation between the Auditor General, federal auditors and other government bodies, with a view toward avoiding duplication.
- Review agency rules and make recommendations relating to their impact.
- Ensure that an appropriate balance is maintained between audits, investigations, and other accountability activities.
- Comply with the General Principles and Standards for Offices of Inspector General as published and revised by the Association of Inspectors General.

Organizational Chart

As of June 30, 2014, the OIG consists of 18 budgeted positions. This includes 16 full-time employees and 2 OPS positions. The distribution of the OIG positions are described in the below chart:



Professional Training



Staff members attended a variety of auditing, accounting, investigation, technical, and program evaluation workshops and training.

During 2013-2014, staff received the benefit from trainings and workshops that included current audit issues, ethics, fraud detection, technical security, contract management and monitoring, and investigative techniques. The opportunities were afforded through training and workshops sponsored by Institute of Internal Auditors, National Association of Inspectors General, Association of Certified Fraud Examiners, Tallahassee Community College, and various state agencies, including Florida Department of Financial Services.

Professional Affiliations



Staff within the OIG brings a diversity of background experience and expertise to the department. Staff has experience in auditing, accounting, program evaluation and monitoring, budgeting, personnel management, investigations, grant administration, and local and state agencies' activities. The OIG affiliates with the following professional organizations:

- Association of Certified Fraud Examiners (ACFE)
- Institute of Internal Auditors (IIA)
- National Association of Inspectors General (AIG)
- Florida Chapter of the Association of Inspectors General
- Association of Government Accountants (AGA)



INTERNAL AUDIT SECTION

The Internal Audit Section performs independent audits, reviews, and examinations to identify, report, and recommend corrective action for control deficiencies, or non-compliance with laws, policies and procedures. Internal controls are reviewed and evaluated as necessary to ensure the fiscal accountability of the Department.

The Director of Auditing coordinates the development of an Annual Audit Plan, which identifies the areas within DEP scheduled for review, using risk assessment criteria. These include management recommendations, audit staff suggestions, results and frequency of prior audits, quality of data systems, and susceptibility to fraud. Both a long range or strategic plan and a one-year plan are included in the Annual Audit Plan.

In the development of the Annual Audit Plan, the Audit Section prepares the Risk Assessment to identify issues of concern to management, risks pertaining to fraud and misuse of funds, and other governance issues including information technology, ethical climate, and proper financial and performance reporting. The FY 2014-2015 Audit Plan includes projects pertaining to Park operations, monitoring of DEP contracts and grants, petroleum tanks contracts and expenditures, regulatory enforcement issues, Water Policy and Ecosystems Restoration programs, and administrative and information technology functions. The Annual Audit Plan also includes participation in multi-agency enterprise-wide audit projects. The FY 2014-2015 Audit Plan was approved by DEP’s Inspector General and Secretary.

Audits are conducted in conformance with the International Standards for the Professional Practice of Internal Auditing, published by the Institute of Internal Auditors. Where appropriate, the Audit Section adheres to the standards developed by the Comptroller General of the United States and codified in the Government Auditing Standards or “yellow book.” Financial-related audits may be subject to the standards promulgated by the American Institute of Certified Public Accountants, which is referred to as Generally Accepted Auditing Procedures and Generally Accepted Auditing Standards. Audit reports issued by the Audit Section contain a statement that the audit was conducted pursuant to the appropriate standards. These reports are prepared and distributed to Senior Management, other applicable departmental management, and the Auditor General.

The Audit Section provides a variety of services in addition to traditional audits. These include, but are not limited to, investigative assistance, reviews, research, and performance measure assessments. Services

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provided are tracked with a project number and culminate in a written product, which is disseminated to the program area and other appropriate parties.

In addition, the Audit Section assists the agency by coordinating audits and reviews of reports completed by the Office of Program Policy Analysis and Government Accountability, the Auditor General and other oversight agencies. The Audit Section reports on the status of the recommendations included in these reports, as required by Section 20.055, F.S. As the agency’s representative on audit-related issues, the Audit Section reviews and distributes the results of audits pertaining to the Federal and Florida Single Audit Acts, and assists the Division of Administrative Services with preparation of Compliance Supplements required under the Florida Single Audit Act.

Federal and State Single Audit Act Responsibilities

Section 215.97, F.S., states, *each non-state entity that expends a total amount of state financial assistance equal to or in excess of \$500,000 in any fiscal year of such non-state entity shall be required to have a state single audit, or a project-specific audit, for such fiscal year in accordance with the requirements of this section.* The Catalog of State Financial Assistance includes for each listed state project: the responsible state agency; standard state project number identifier; official title; legal authorization; and description of the state project, including objectives, restrictions, application and awarding procedures, and other relevant information determined necessary.

DEP provides funding and resources from State and Federal funding sources to Florida counties, cities, towns, districts, and many other non-profit organizations within the State. As a result of DEP’s relationship with these entities, the OIG provided technical assistance to support and improve the operations of those entities.

Federal pass-through grants administered by DEP are subject to Office of Management and Budget (OMB) Circular A-133 requirements, provided the entity has expended \$500,000 in federal financial assistance in its fiscal year. Each year, the OIG reviews audit reports submitted by entities that meet the requirements listed in Florida Statutes, as well as the audit requirements listed in the OMB Circular A-133. During 2013-2014, our office reviewed 284 audit reports, issued 172 technical assistance memoranda, and logged 32 certifications of applicability.

Audit Work Plans and Risk Assessments

The OIG performs a full risk assessment every year for DEP. This assessment is developed based on program responsibilities, key areas of risk, budgets, management of grants and contracts, past audit activity, staffing levels, and internal control structure. Discussions are held with DEP leadership team members, Division Directors, and other management staff to identify topics of importance and concern to managers. The risk assessment evaluates a number of factors to equitably identify programs and functions in DEP, and the associated risks of operating those programs and functions.

Factors considered in the evaluation include:

- value of the financial resources applicable to the program or function
- dollar amount of program expenditures
- statutes, rules, internal controls, procedures, and monitoring tools applicable to the program or function; concerns of management; impact on the public safety, health, and welfare
- complexity and/or volume of activity in the program or function, and
- previous audits performed

Programs and functions are scored based upon these factors, then reviewed further to determine the most efficient schedule of auditing the selected program and functions within the resources available.

Prior Year Audit Follow-up

The OIG monitored the implementation of prior audit findings six months after completion, and on a biannual basis. Of the 51 projects reported in last year’s annual report; 33 had recommendations that were fully implemented, and 16 had no recommendations. Two projects had recommendations in which corrective action was being monitored as of the end of Fiscal Year 2013-2014. The projects are listed in the table below.

In addition, the Office of Inspector General reviewed the status of recommendations pertaining to one Audit completed by the Auditor General. The recommendations for this audit have been fully implemented.

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Project	Recommendation	Status
A-1213DEP-002 - Review of State Park Attendance Reporting	We recommended the Division take additional review steps to ensure attendance figures are accurately documented and reported in the Recreation Park Management System. We also recommended the consistent use of the Operations Manual designated Division Weekly Tabulation form or the documented approval of alternate report forms.	Corrective Action is being monitored
A-1213DEP-042 Close-out Audit of Clay County Compliance Contract	We recommended the Division direct the County to return the remaining fund balance of \$136,840.24 to the Department, in accordance with the instructions issued by the Department for the return of positive fund balances.	Corrective Action is being monitored

Performance Measures

In accordance with Section 20.055(2) (b), F.S., the OIG has assessed the newly implemented performance measures in FY 2013-2014. Performance measures were evaluated by staff using an assessment questionnaire focusing on the process, data, systems, and documentation utilized by the respective divisions, to accumulate the statistics related to the measures. DEP has reduced the number of performance measures from 82 in 2012 to 21 in 2013. Of the 21 measures for 2013, 10 were new or updated measures and 11 were measures carried over from the previous year. The 11 measures carried forward were discussed with Division management and were previously reviewed and determined to be valid and reliable. Of the 10 measures, two were being proposed for deletion in the 2015-2016 Long Range Program Plan. The eight remaining measures were reviewed and appeared to be based on information that is valid and reliable.

External Audits and Reviews

2014-064: This Auditor General operational audit focused on the Department’s management of the Beach Erosion Control Program and included a follow-up on the findings noted in report Nos. 2012-011 and 2012-064.

Finding No. 1: Contractors selected to monitor Program projects were not always independent of the feasibility, design, and construction project phases.

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Recommendation: The Auditor General recommended that Department management establish a standardized review process and develop Program guidance for local sponsors addressing the selection of contractors. The review process and guidance should address the identification of potential conflicts of interest and require that project monitors be independent of the Program project phases they are to monitor.

Action Taken: The Department agreed with the audit finding and recommendation. The Department will take two courses of action to address future monitoring activities. First, the Beach Erosion Control Program will draft a guidance document for grant recipients that outlines a scope of work review process for project monitoring services. The guidance will detail program standards and allowable costs. The guidance will also address the contractor selection process to avoid conflicts of interest. Staff will post the guidance document on the program webpage when it is completed. Secondly, the Program will investigate appropriate chapters of administrative code that could be amended to restrict the use of contractors from directly monitoring the projects that they construct.

Finding No. 2: Department oversight of Program project costs needs improvement.

Recommendation: The Auditor General recommended that Department management establish guidance, including contractor hourly rate guidelines, addressing specific project costs allowable under the Program. To improve management and oversight of the Program and better ensure that projects are economically and efficiently completed in compliance with applicable laws, rules, and grant agreement provisions, they also recommended that the Department establish a mechanism for tracking project costs by expenditure type and strengthen its process for reviewing local sponsor project contracts and requests for reimbursement.

Action Taken: The Department agreed with this recommendation and will investigate other state and federal funding programs that have successfully implemented rate standardization. Using approved scopes of work, staff will develop a database for tracking the costs of project tasks for statewide beach and inlet projects and establish guidelines for rates eligible for reimbursement, consistent with the Consultants Competitive Negotiation Act. Rate guidelines will be added to the guidance document developed as indicated in the response to Recommendation number one above.

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2014-184: This Auditor General operational audit focused on following up on the findings and recommendations included in their report No. 2011-069. Those findings related to time records, unused leave compensation, dual employment, salary calculations and overtime authorizations, warrant and electronic funds transfer cancellations, and employee out processing.

Finding No. 1: DEP was not included in the leave payout follow-up testing because report No. 2011-069 did not disclose leave payout documentation deficiencies.

Finding No. 2: The follow-up audit did not disclose any deficiencies in DEP's Dual Employment processing.

Finding No. 3: State agency and DFS processes and procedures for salary reissuances should be enhanced to avoid overpayments to third parties for miscellaneous post-tax deductions. Additionally, State agencies did not always timely initiate efforts to collect from third parties overpayments made as a result of canceled salary payments.

Recommendation: The Auditor General recommended that the DFS provide specific guidance to State agencies regarding the methods available to prevent overpayments of miscellaneous post-tax deductions related to salary payment reissuances. Additionally, they recommended that State agencies take appropriate steps to ensure the timely recovery of overpayments of State funds.

Action Taken: The Department concurred with this recommendation. We are updating our internal warrant cancellation process and procedures document to ensure that it includes the following:

- Use of DEP specific recovery codes when reissuance of a cancelled salary payment is necessary
- Improved coordination between the Bureau of Human Resource Management and the Bureau of Finance and Accounting in handling the warrant cancellation and recovery of post-tax deductions process
- Establish timeframes to initiate a written request for recovery of post-tax deductions, follow-up to ensure receipt, and turning over for collections when necessary.

Finding No. 4: DEP was not included in the employee out-processing follow-up testing because report No. 2011-069 did not disclose employee out-processing documentation deficiencies.

Fiscal Year 13/14 Internal Audit Report Summaries

A-1213DEP-037: Audit of Contract GC725 with WRS for Petroleum Contamination Site Cleanup Management Services

The scope of this audit included a review of Contract GC725 for WRS Infrastructure and Environment, Inc. for Petroleum Contamination Site Cleanup Management Services.

Results of Audit: The Division had not established adequate deliverables which were directly related to the scope of work, nor did they specify the required level of service to be performed.

Recommendation: If the Division continues to employ contracted teams, we recommended that the Division amend Contract GC725 and establish consistent and permanent deliverables to be included in the monthly summary report that will be specific, quantifiable, measurable and verifiable for each task assigned to the scope of work.

Action Taken: The Division has developed a concise set of monthly deliverables that are specific, quantifiable, measurable, and verifiable but are not currently specified in the contract, rather they are in the task assignment. The contract will be amended to include this information rather than just the task assignment. This change will be applied to the contract once DEP completes its review of contract efficiencies so that an efficient and comprehensive change can be applied to the contract.

A-1213DEP-038: Audit of Friends of Lake Louisa State Park, Inc.

The scope of this audit included select activities of Friends of Lake Louisa State Park, Inc., Citizen Support Organization (CSO), for July 1, 2011 through June 30, 2012.

Results of Audit: Based on the analysis of financial transactions conducted by the CSO, there were 27 withdrawals made by either check or bank card. Of those withdrawals, only 12 had verifiable receipts or invoices for justification. This lack of recordkeeping leaves the CSO vulnerable to the possibility of unauthorized spending of CSO funds. Checks written from the account did not have the two signatures required. Within the sample months, the checking account had a combined total of 10 checks written; none of which met the two board member signature requirement.

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Recommendation: In accordance with CSO Bylaws, we recommended the Division direct the CSO to retain all receipts for bills invoiced and paid from CSO accounts, maintain appropriate support documents and justification for all withdrawals from the checking account and document a minimum of two Board members signature on all checks.

Action Taken: The Division agreed with the audit findings. The District and Park staff worked with the CSO Board to ensure their records include receipts, invoices and justification for all withdrawals from the checking account. The Friends of Lake Louisa, as a result of the audit, completed a financial policy which incorporates the proper practices for maintaining records and receipts. They intend to follow this policy to the letter in the future. Since the audit, due to the small size of the CSO, the Board voted to change their policy from requiring two signatures to one. The Board amended the Bylaws at their July meeting to ensure the Bylaws and Treasurer's Policies reflect one another positively.

A-1213DEP-039: Audit of Friends of Koreshan State Historic Site, Inc. CSO

The scope of this audit included select activities for Friends of Koreshan State Historic Site, Inc. CSO, for January 1, 2012 through December 30, 2012.

Results of Audit: Based on the analysis of the financial transactions conducted by the CSO, there were 52 withdrawals made by either check or bank card. Of those withdrawals, only 46 had verifiable receipts or invoices for justification. Based on our review of withdrawals, although proper documentation was not maintained for the transactions noted, they appeared to be related to legitimate CSO purposes. However, a lack of recordkeeping leaves the CSO exposed to the possibility of unauthorized spending of CSO funds.

Recommendation: In accordance with CSO Bylaws, we recommended the Division direct the CSO to retain all receipts for bills invoiced and paid from CSO accounts and maintain appropriate support documents and justification for all withdrawals from the checking account.

Action Taken: The Division agreed with the audit findings. The Park Manager and staff worked with the CSO Board at the scheduled meeting in September 2013. Park management suggested the following improvements to the process: (1) A single reporting stream for all items purchased by the Park and the CSO, (2) clearly written financial policies which address the documentation for all expenditures and justification for withdrawals which are available to Park staff, CSO Board members and volunteers

handling CSO monies, and (3) in-house training for Park staff and CSO Board members regarding these financial policies.

A-1213DEP-044: Audit of Gadsden, Jackson, Washington County Compliance Contract GC707

Closeout

The scope of this contract close out audit included an examination of Contract GC707 with the Florida Department of Health, Gadsden County Health Department (County) to determine if the County complied with the terms of the contract and the final determination of the fund balance. The period audited was July 1, 2008 through June 30, 2012.

Results of Audit: The fund balance on Task Assignment 5, Year End Financial Statement (YEFS) was not correct. The County both understated and overstated the expenditures for salaries and benefits and was not able to provide the documents supporting the amounts reported in the YEFS. The County also understated the ending balance on Task Assignment 5.

Recommendation: We recommended the Division direct the County to return the restated fund balance of \$28,782.61 to the Department in accordance with the instructions for the return of positive fund balances issued by the Department.

Action Taken: The Division concurred with the findings and recommendations and sent an email on October 2, 2013 directing the County to return the \$28,782.61.

A-1213DEP-047: Audit of National and State Park Concessions, Inc. at Wekiwa Springs State Park

The scope of this audit included select activities of National and State Park Concessions, Inc., (Concessionaire) at Wekiwa Springs for January through December 2012.

Results of Audit: Based on a review of the General Ledger, refunds issued were not being documented in the ledger. We noted refunds issued to customers for various reasons accompanied by hand written notations from the employees written on the back of register receipts and attached to daily X tapes. In addition, based on the X tapes reviewed, there were 12 refund transactions missing the supporting employee notated receipt. None of these transactions were signed by the customer nor was there any notation of the customer's refusal to sign. When the notations on the receipts were further examined, it was determined the majority of the void items were actually returns, rather than voids. This determination

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was based on the explanations written by the clerk on the back of the register tapes. Therefore, notations would need to be made in the General Ledger and receipts for refunds need to have a verifying customer signature.

Recommendation: We recommended the Division ensure the Concessionaire complies with the Minimum Accounting Requirements in regard to the proper documentation of refunds.

Action Taken: The Division agreed with the recommendation. Going forward, the Concessionaire uses a rubber stamp to properly document refunds. The stamp is used on original receipts to provide Concession staff with designated lines for customers to provide the reason for the refund and the customer's signature. Additionally, the Concessionaire created and maintains a General Ledger to document refunds and voided transactions. Immediately following the audit, Park management met with the Concessionaire confirming the new procedure had been implemented. The Concessionaire agreed to follow this procedure going forward, ensuring compliance with the Minimum Accounting Requirements outlined in Multi-Year Concession Agreement number MY-1112. Park management will continue to verify compliance through the quarterly evaluation process.

A-1213DEP-048: Review of Contract GC726 with Ecology and Environment Inc. for Petroleum Contamination Site Cleanup Management Services

The scope of this review included an examination of Contract GC726 and its corresponding Task Assignments 1A through 1AA issued between January 2010 and June 2013.

Results of Review: The specifics related to deliverables are not stated in the contract and are left to be determined in the task assignment notification. Accordingly, the determination of what constitutes a deliverable lies with the discretion of Bureau management. In addition, recent and on-going program reorganization and contract modifications have led to staffing and program direction changes. Some of these changes directly affect contract management activities on projects assigned to the contractor such as Site Characterization Screening sites.

Recommendation: We recommended the Division amend Contract GC726 and establish consistent deliverables that are measurable, quantifiable, and verifiable for each task listed in the contract's scope of work. Further, in going forward with recent program and organizational changes, we recommended the Division evaluate contracted staffing levels and contractor activities to ensure that decisions related to continued use of contracted staff are driven by documented program needs.

Action Taken: The Division concurred with the findings and recommendations and developed a concise set of monthly deliverables that are measurable, quantifiable, and verifiable but are not currently specified in the contract. These expectations will be reevaluated to ensure that the contracted staffing levels and activities are properly driven by the recent program and organization changes. These items will be added to GC726 as an amendment to the contract.

A-1213DEP-049: Review of Remediation Equipment Ownership and Management

The scope of this review included an examination of the Bureau of Petroleum Storage Systems purchase, management and surplus of DEP owned remediation equipment.

Results of Review: We reviewed the processes of remediation equipment purchase, maintenance and surplus. Since 2008, DEP has spent over \$14 million on Bureau capital equipment purchases. Contractors have benefitted from DEP’s purchasing, maintaining, repairing, storing, inspecting, surplus, mobilizing, and managing the inventory of equipment. Since most of the maintenance and mobilization costs are captured under site costs through individual work orders, it is difficult for DEP to track the total cost related to equipment. For the most part, DEP equipment has been acquired and maintained by parties outside of DEP. As such, controls over cost effective purchase and management have been limited.

Recommendation: There were no findings or recommendations.

A-1213DEP-051: Audit of Jefferson / Wakulla County Compliance Contract GC713 Closeout

The scope of this audit included an examination of Contract GC713 (contract) with the Florida Department of Health, Madison County (County) for petroleum compliance program services provided in Jefferson and Wakulla Counties. The period audited was from July 1, 2007 through June 30, 2012.

Results of Audit: The County generally complied with the terms of the contract. The YEFS for the five task assignments were submitted in a timely manner to the Department and were mathematically correct. Task Assignments 1 through 5 were supported by detailed listings of expenditures and the expenditures generally agreed with total expenditures on the YEFS. We tested 32 expenditures and the expenditures were supported. However, the YEFS for Task Assignments 1 through 5 were under and over stated in the categories of salaries and benefits and other expenditures. Restating the financial statements for the five fiscal years resulted in the County having a positive fund balance of \$3,062.17 at contract end.

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Recommendation: We recommended the Division direct the County to return the positive fund balance of \$3,062.17 to DEP.

Action Taken: The Division responded to the OIG with the statement, *The Permitting and Compliance Assistance Program directed the County to retain the positive surplus fund balance and use it to supplement the Storage Tank Compliance Assistance Program the County administers per Contract GC704.* The OIG interviewed the compliance contract manager and confirmed the County was directed to use the \$3,062.17 in the new Contract, GC704.

A-1213DEP-055: Audit of Indian River County Compliance Contract GC694 Closeout

The scope of this close out audit included an examination of Contract GC694 (contract) with Indian River County Department of Public Safety (County) to determine if the County complied with the terms of the contract and the final determination of the fund balance. The period audited was July 1, 2010 through June 30, 2012.

Results of Audit: County expenditures were overstated by \$7,902.96 for Task Assignment 5. The overstatement occurred in the salary and benefits and all other expenditures categories. Restating the financial statements to address the overstatement resulted in the County having a positive fund balance of \$10,595.54 on June 30, 2012.

Recommendation: We recommended the Division direct the County to return the positive fund balance of \$10,595.54 to DEP.

Action Taken: Management memo dated August 6, 2013 indicated that the Department had directed the County to return the funds. The County returned the \$10,595.54 on August 22, 2013.

A-1213DEP-056: Audit of Manatee County Compliance Verification Contract GC695 Closeout

The scope of this audit included an examination of Contract GC695 and its corresponding task assignments issued from July 1, 2008 through June 30, 2012.

Results of Audit: Based on our audit, the County did not accurately present the exclusive expenditures for the Petroleum Compliance Verification Program in the financial statements. However, the audit calculation of the fund balance on the final close out financial statement reflected a negative balance and no return of funds was due. We identified certain areas of record keeping regarding statements of

revenue, exclusive expenditures, salaries, meals, and education that could have been improved. However, since the contract has ended and the contracting structure has changed, these issues were no longer applicable to the new contract.

Recommendation: There were no findings or recommendations.

A-1213DEP-057: Audit of Contract GC701 Osceola County Compliance Verification Contract

Closeout

The scope of this audit included an examination of Contract GC701 (contract) with the Osceola County Board of County Commissioners, Department of Emergency Services (County). The period audited was from July 1, 2007 through June 30, 2012, Task Assignments 1 through 5.

Results of Audit: The County generally complied with the terms of the contract, but did not accurately present the exclusive expenditures for the program in the financial statements. We identified certain areas of record keeping that could have been improved; however, the contract has ended negating the need for recommended improvement. Based on the audit verification, the YEFS for the five task assignments did not accurately reflect the exclusive expenditures for the program. Task Assignment 4 had a negative fund balance resulting in no carry forward amounts for the period. The County presented a positive fund balance for Task Assignment 5 of \$12,254.58 plus a \$384 expense allocated out of period in Task Assignment 4 for an adjusted fund balance total of \$12,638.58.

Recommendation: We recommended the Division seek recovery of Task Assignment 5 ending fund balance of \$12,254.58 plus the \$384 expense allocated out of period for a total of \$12,638.58 from the County.

Action Taken: The Division concurred with the findings and recommendations and sent an email on October 17, 2013 directing the County to submit the funds identified in the audit report. On October 24, 2013 the County responded. Regarding the \$384 discrepancy, the County provided documentation supporting their statement that a journal entry for overhead costs was posted on June 30, 2011, within the Task Assignment 4 grant period; however, the costs were allocated to the Task Assignment 5 account. Posting issues aside, the County believed that this was an allowable expense. Payment of the \$12,254.58 was wired to DEP on October 26, 2012.

A-1213DEP-058: Audit of Contract GC705 Martin County Compliance Verification Contract

Closeout

The scope of this audit was an examination of Contract GC705 with Florida Department of Health, Martin County Health Department (County) for Petroleum Compliance Verification Program related services from July 1, 2009 to June 30, 2012.

Results of Audit: After review of the YEFS for Task Assignments 3 through 5 of Contract GC705, the following was found: the beginning fund balances properly recognized the prior year ending fund balances, the YEFSs did not accurately present the exclusive expenditures for the program, and Task Assignment 5 showed an ending fund balance of \$746.03.

Recommendation: We recommended the Division seek recovery of Task Assignment 5 ending fund balance of \$746.03 from the County.

Action Taken: Email documentation dated October 2, 2013, provided to the OIG, demonstrated that the Storage Tank Compliance Program directed the County to refund the balance of \$746.03 to DEP by October 31, 2013. On April 2, 2014, the Division provided a copy of a DEP Cash Receiving Application Payment Report which indicated that the \$746.03 was paid. On April 28, 2014, the Division submitted their summary of corrective actions.

A-1213DEP-059: Review of Outcomes from the Ability to Pay Process

The scope of this review included outcomes from the Ability to Pay Process related to site remediation through the Petroleum Cleanup Participation Program (PCPP) between 2008 and 2012.

Results of Review: The Bureau has incorporated the ability to pay analysis in its process of administering portions of the program where participation is required. However, the Division does not require responsible parties and/or contractors to provide payment verification to DEP, as designated in Section 10 of the PCPP agreement. This made it difficult to determine if responsible parties are fulfilling their financial obligations to the Department.

Recommendation: We recommended the Bureau verify payment from responsible parties and/or contractors in compliance with Section 10 of the PCPP agreement.

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Action Taken: The Bureau of Petroleum Storage Systems, now the Petroleum Restoration Program agreed with the recommendation to verify payment of required cost share amounts and has taken the following actions to this end. Site Managers are required to send a "Request for Confirmation of Cost Share Payment" letter to the responsible party when the contractor that is performing cleanup activities submits an invoice. The letter, written for use with existing PCPP agreements, notifies the responsible party that they will be required to pay the contractor their share of the completed cleanup activities and provide proof of that payment to the Petroleum Restoration Program. The PCPP agreement will be cancelled if the responsible party fails to provide proof that it has paid the contractor its share of the costs. PCPP Contract templates and other procedures including tracking of financial participation have been evaluated and rewritten.

A-1314DEP-003: Review of the Preapproved Advanced Cleanup Program (PAC)

The scope included review of the PAC program requirements and PAC agreements with remediation contractors and responsible parties between 2010 and 2012.

Results of Review: The PAC agreement states, *within 40 days of payment to the Designated Contractor, the applicant (responsible party) shall provide to the Department proof of such payment.* Based on interviews with Bureau and contracted staff, payments from responsible parties to remediation contractors are not verified through proof of payment. If payments are not verified, the Bureau does not have assurance of responsible party cost participation.

Recommendation: We recommended the Bureau enforce Section 12 of the PAC agreement and require responsible parties to provide proof to DEP of payments that were made to the designated contractor, within 40 days of making any payment. We also recommended the Bureau consider enforceable penalties such as withholding future payments if payment participation is not made as agreed.

Action Taken: The Division states, *in order to ensure that the responsible parties are paying their share of the cleanup costs, the Petroleum Restoration Program requires that all Site Managers send out a letter to the responsible party whenever the contractor that is performing cleanup activities submits an invoice to be paid to the Petroleum Restoration Program, when those cleanup activities have been completed. The letter, written for use with existing PAC agreements, notifies the responsible party that they will be required to pay the contractor their share of the completed cleanup activities and provide proof of that payment to the Department.* Under the current procedure the Division directly pays the contractor

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working on a PAC site; therefore, it is not clear that the Division could withhold payment to a contractor, who otherwise performs, because of the failure of a PAC applicant to pay the contractor its share. The Division could more easily cancel the PAC agreement so that the applicant forfeits any further benefit under the PAC Contract, while still compensating the contractor for DEP's share of an outstanding invoice. The Petroleum Restoration Program is in rulemaking regarding procurement of contractors and contracts for work funded by the Inland Protection Trust Fund (IPTF), as PAC is. In addition, contract templates and other procedures are being evaluated and rewritten. Consequently, the current PAC process will be modified, and the Division commits to changing the PAC procedures to better ensure full financial participation of the PAC applicant.

A-1314DEP-004: Review of Complimentary Campsites and Management of Resident Volunteers

The scope of this review included reports and activities relating to complimentary campsites; the volunteer workload related to campsite justification and waived campsite fees documented for the period July 1, 2012 through December 31, 2013.

Results of Review: (1) Based on the review of the 100% Host Discount Report, the Active Network System's Report of Manual Adjustments and the Volunteer Campsite Information Report provided by the Bureau of Operational Services (BOS), as well as interviews and observations, the Division does not consistently use the 100% Host Discount Code for the sole purpose of adjusting fees for campground hosts or resident volunteers. If adjustments to camping fees are not periodically monitored and compared to lists of resident volunteer/campground hosts, State revenues for camping fees are exposed to risk of abusive discounts with minimal controls in place to ensure camping fee waivers for resident volunteer/campground host camping fees are being properly applied and recorded.

(2) The current report of resident volunteer hours for FY 2012-2013 documented 1,849 resident volunteers and 468,784 resident volunteer hours. On average, each volunteer contributed 253.53 hours for the year. Given that the 20-hour requirement is based on campsite rather than number of individuals, the accountability for ensuring each occupant of a campsite contributed the required hours is diminished, based on the current method of reporting volunteers and contributed hours. Volunteers are covered under Florida Workers' Compensation Law when volunteering within the Florida Park Service, in addition to being protected from personal liability claims for any actions involving their volunteer services.

Recommendation: (1) We recommended controls be put in place regarding camping fee adjustments that include:

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- Periodic review of the 100% Host Discount Report to ensure the name of the resident volunteer/campground host listed in the site is a legitimate campground host or resident volunteer compared to volunteer records. The Park should document the volunteer name working in the Park. The name should tie to a weekly report of campground host/volunteers occupying the Park for accurate record keeping of campsite use. The Manual Adjustment Report should be requested from Active Network and also reviewed periodically to ensure proper documentation, justification, and approval for adjustments to camping fees.

- Establishment of a documented, valid, and approved methodology for manually adjusting camping fees to account for lost revenue. This criteria needs to be addressed by the Division as a whole, by District and by Park in order to establish accountability for the reasons for campsite fee adjustments. This information should be reported on a Park and District level on a periodic basis, as a control for management oversight of the number and amount of adjustments being made at the Park level. With the understanding that circumstances exist that merit camping fees waivers, these circumstances should be defined and consistently applied.

(2) We recommended the Division establish a system of resident volunteer hour reporting that ensures Parks and volunteers are meeting and documenting the weekly 20-hour requirement per site. In order for this information to be used as a tool for resource management, as well as Park staff and volunteer performance accountability, it should be reported to the District on a routine basis so that the District and Division have a clear understanding of the workforce covering the day to day operations and the work being accomplished for future planning needs. We further recommended the Division review Parks' human resource decisions regarding resident volunteers compared to specific duties and activities needed to satisfy the Park's human resource needs. This includes planning for and documenting the jobs needed in advance of decisions regarding the number of resident volunteers allowed in a Park. It is understandable that the overlap between Park Ranger and volunteer positions cannot easily be defined given the day-to-day and fluctuating demands on Park staff. However, given that volunteers are covered under Florida Workers' Compensation Law when volunteering within the Division, in addition to being protected from personal liability claims for any actions involving their volunteer services, it is important that the Division strategically make reasonable plans for human resource needs, without unnecessary duplication of manpower.

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Action Taken: The Division agreed that the practice was not consistent statewide. (1) The Division will develop instructions to ensure the name of the resident volunteer/campground host is recorded accurately and tied to a report of campground host sites. The instructions for using the 100% Host Discount Report and associated Operations Manual criteria will ensure that the 100% Host Discount is used appropriately. Once instructions are developed and distributed, the District Office and Bureau of Operational Services will review the 100% Host Discount Report quarterly and also as part of the annual District Fiscal Compliance Review. Manually adjusting camping fees is appropriate under certain circumstances. The Division will develop instructions and associated Operations Manual criteria to clearly define circumstances within the authority of the Park and those circumstances requiring District approval. A quarterly review will be conducted of the Manual Adjustment Report to ensure proper documentation, justification, and approval for adjustments to camping fees. This will also be included as part of the annual District Fiscal Compliance Review. The Division will develop the instructions, update the policy and communicate updates.

(2) The Division currently has a manual system for documenting volunteer hours served. Park Managers are responsible for verifying volunteer hours, however, there is not an electronic system in place for Division-wide visibility of this information. The Division is working with the Office of Operations and is in the final stages of selecting a vendor to provide an online Volunteer Management System. This system will provide for documenting position descriptions for campground host and resident volunteer positions, the number of positions needed, and verification of volunteer hours served and reports as recommended. The estimated "go live" timeframe for this enterprise solution is October 2014. Training and full implementation of the Volunteer Management System will be completed by December 31, 2014. While the Division is waiting for the new Volunteer Management System to be implemented the Division will monthly verify campground host and resident volunteer time records with the occupied campsites. The Division periodically reviews human resource needs through workload analysis. The most recent analysis was conducted in 2011. The 2011 analysis showed the Division had a deficit of 684 FTE equivalent positions for optimum staffing. During FY 2012-2103 resident, individuals and CSO volunteers provided the equivalent of 491 FTEs assisting the Division in closing the human resource needs gap. Utilizing resident volunteers, who serve an average of 254 annual hours compared to individual (non-resident) volunteers who serve an average of 85 annual hours, maximizes training and provides more consistent service. This strategy reduces the duplication of manpower. The Division will remind Park Managers they are responsible for assessing staffing needs, making reasonable plans for human resource needs and providing onsite management to all Park staff including Volunteers.

A-1314DEP-005: Audit of Nature Recreation Management, LLC at Lovers Key State Park

The scope of this audit included select activities of Nature Recreation Management, LLC at Lovers Key State Park, during the period January 1, 2013 through October 31, 2013.

Results of Audit: (1) In the months of February and March 2013, a total of 32 refunds were issued. Of the total, 12 did not have the required customer signature to validate the refund. By not obtaining a customer signature on refunds, Concession revenues are exposed to risk of loss or theft.

(2) According to Section 24 of the Concession Agreement, *the Concessionaire was to increase the commission rate from 11% to 12% as of February 2013*. The Concessionaire did not increase the commission rate until March 2013. As a result, \$903.41 due to DEP for the commission increase was not paid.

3) The Concessionaire operates Concessions at both Lover’s Key State Park and Delnor-Wiggins Pass State Park and maintains a combined General Ledger of Concession operations from both Parks. As a result, gross sales, as reported in the Monthly Report of Gross Sales, could not be traced to source documents, due to the general inconsistencies and inaccuracies in how the revenue was documented and reported in the General Ledger.

(4) The total from daily rental sales revenue reflected on the Transaction Detail by Account report could not be reconciled to itemized rental receipts provided for 3 out of 4 days tested in the two sampled months. The reported revenue was a total of \$178.85 less than itemized receipts supported. These minor discrepancies found in three out of the four days sampled are an indication that reported rental revenues are not accurately supported by source rental documents.

Recommendation: (1) We recommended the Division direct the Concessionaire to obtain and document valid customer signatures on all refund documentation.

(2) We recommended the Division obtain the balance of \$903.41 owed to the Department for the February 2013 commission rate increase.

(3) We recommended the Division direct the Concessionaire to maintain a separate General Ledger account for the Delnor-Wiggins Pass State Park Concession and the Lovers Key State Park Concession.

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The Concessions have separate agreements and should be kept financially separate to promote transparency and a clear verification of reported revenues for each operation.

(4) Further, we recommended the Division require the Concessionaire to document and maintain rental revenue source documents that accurately support amounts reported in the Monthly Report of Gross Sales.

Action Taken: (1) The Division has directed the Concessionaire to include the date, customer's signature, reason for refund, and amount of refund on all refund documentation. The Division has also directed the Concessionaire to use a rubber stamp with the required information on refund receipts and use a ledger to document all refunds. The contract manager will perform random spot checks at least quarterly to ensure all refund documentation is accurately maintained by the concessionaire.

(2) The Division confirmed the finding that the Concessionaire underpaid the Division \$903.41 for February 2013. Further review of the commission payments outside the audit period was conducted. This review revealed an underpayment of \$872.16 for February 2012 and total overpayments of \$1,963.57 for January and February 2014 by the Concessionaire. The Division has directed the Concessionaire to decrease their next commission payment by \$187.98 to correct the net imbalance. The payment transaction will clearly document the underpayment and overpayment. The over and underpayments were oversights due to changing commission rates in the agreement. The commission rate changes again on February 1, 2015 and February 1, 2016. The Concessionaire and Park have been directed to set calendar reminders so the correct commission payment is paid and verified.

(3) The Division has directed the Concessionaire to maintain separate General Ledger accounts for the Delnor-Wiggins Pass State Park Concession and the Lovers Key State Park Concession.

(4) The Division has directed the Concessionaire to document and maintain rental revenue source documents. The Concessionaire acquired new software and adjustments have been made to correct errors and provide accurate documentation of sales. The Division's contract manager will provide additional oversight to include random checks at least quarterly, of financial records, to verify compliance.

A-1314DEP-006: Audit of Friends of Collier-Seminole State Park, Inc., CSO

The scope of this audit included select activities of Friends of Collier-Seminole State Park, Inc. CSO.

Results of Audit: (1) For the sample month of February 2013, there were 45 withdrawals made by either check or bank card. Of those 45 withdrawals, 12 did not have a verifiable receipt or invoice provided for the purchases. The amount of withdrawals without back up documentation totaled \$10,422.79. For the month of March 2013, there were 16 withdrawals made by either check or bank card. Of those 16 withdrawals, two did not have a verifiable receipt or invoice provided for the purchase. The amount of withdrawals made in March without back up documentation totaled \$352.75. According to the CSO’s Treasurer, the Daily Z-1 tapes are not retained; after the financial data from the tapes are entered into an excel spreadsheet the tapes are discarded. Therefore, only the Daily Z-1 sales/sales tax worksheets could be used to compare to the General Ledger records. According to the CSO Bylaws, tapes should be maintained. This lack of recordkeeping leaves the CSO vulnerable to the possibility of unauthorized spending of CSO funds.

(2) There were several inconsistencies, in addition to the missing back up documentation in the CSO’s financial record keeping, which inhibited the ability to be properly reconciled. In the areas of the General Ledger and the Daily Z-1 sheet, both of these reporting documents had deposit amounts entered that were irreconcilable. Also, the monthly bank statements had withdrawal and deposit amounts reported that did not reflect in the General Ledger.

(3) According to the petty cash log, receipts and Treasurer’s emails, the petty cash balance between March 8, 2013 and December 21, 2013 ranged from \$686.91 - \$205.12. As a result the balance in petty cash was over the allowed \$200.00. While we recognize that the CSO revised their Bylaws as of December 12, 2013 to increase the allowed petty cash balance to \$500.00, the amount that was held in petty cash for the majority of the audit period year was not in compliance with the Bylaws that were in effect. According to the Treasurer, the petty cash fund is used for a time when the CSO volunteers and representatives are gone and there is a need to pay for CSO expenses. During our review, we noted two checks made to the Park Manager for which we could not verify total expense reimbursement. • Check 9007, \$250: According to the Treasurer, this amount was to cover the shipping charge for a \$1,152.56 purchase of tables. However, we obtained the invoice from the vendor for the \$1,152.56 purchase, which included \$227.56 in freight charges. The cost for the tables was \$925. There was no other documentation available to support the purpose for the \$250 check written to the Park Manager. • Check 9006, \$500:

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According to the Treasurer, this amount was to cover the cost for fill dirt and a double vanity sink. The receipts provided for these items totaled \$395. No other documentation could be provided. According to the Park Manager, the CSO volunteers are in the Park seasonally and will leave money to cover expenses while they are away. He could not remember specifically the purpose of the checks.

Recommendation: (1) In accordance with CSO Bylaws, we recommended the Division direct the CSO to retain all receipts for bills invoiced and paid from CSO accounts and maintain appropriate support documents and justification for all withdrawals from the checking account. Additionally we recommended the Division direct the CSO to retain all Daily Z-1 register tapes in accordance with the records retention rules. This should be monitored by the Park Manager.

(2) In accordance with CSO Bylaws, we recommended the Division direct the CSO to comply and document accounting practices that demonstrate accountability in recordkeeping and the maintenance of receipts for transactions. The CSO should follow record keeping policies as recommended by 2.9 Financial & Management Standards of the CSO Handbook.

(3) We recommended the Division direct the CSO to review their Bylaws regularly to ensure they are in compliance with the section as specified. Specifically, the CSO, or Park staff in their absence, should maintain receipts and justification for all purchases made from the petty cash fund.

Action Taken: (1) The Division has directed the CSO to retain all receipts and maintain appropriate supporting documents and justification for all withdrawals from the checking account. In addition, the Division has directed the CSO to retain all Daily Z-1 register tapes in accordance with the records retention rules. The Park Manager will ensure compliance through quarterly spot checks.

(2) The Division has directed the CSO to follow record keeping policies as recommended by 2.9 Financial & Management Standards of the 2009 CSO Handbook. This includes accuracy in maintaining the General Ledger and Daily Z-1 sheets and reconciling the General Ledger and monthly bank statements. The Park Manager will ensure compliance through quarterly spot checks.

(3) The Friends of Collier Seminole State Park did exceed their stated Bylaw limit for Petty Cash. The Division has directed the CSO to review on a regular basis and to follow their Bylaws. The Division has also requested the CSO to provide copies of their Bylaws to all new board members at the start of their term. The Division has reminded the CSO and Park staff in their absence, to maintain an accurate record

of all receipts and justification for all purchases made by both the Park and the CSO. Additionally, the Division has instructed the Park Manager to stop making purchases for the CSO using Petty Cash. Finally, due to the potential for abuse across the Park system, the Division reviewed the current policy relating to Park staff handling CSO funds and finds the Operations Manual is silent relating to Petty Cash. The Division has directed CSOs, through the Park Manager, to be responsible for making advance payment arrangements for CSO purchased goods and that Park staff are no longer to use CSO's petty cash without approval of the District Bureau Chief. The changes to this policy will be incorporated in the Operations Manual and communicated to the field.

A-1314DEP-007: Review of Clean-up Contract S0481 Duval County Petroleum Cleanup Program

The scope of this review encompassed four task assignments of Contract S0481 beginning January 1, 2010 through June 30, 2013. It included reviewing materials and activities related to the Petroleum Contaminated Site Cleanup Services in the City of Jacksonville/Duval County (Duval County).

Results of Review: (1) By relying solely on estimated fund balances, rather than making adjustments when actual balances are known, Duval County has been allowed to carry over a larger amount than is tasked. These excess funds were properly recognized by Duval County in the annual statements; however, the Division has not recognized or made adjustments for the actual excess funds. The Division allows the counties to keep the money and use the excess funds. The current methodology has allowed Duval County to maintain a fund balance of over \$200,000 annually. The ending fund balance for Tasks 2 and 3 averaged 24% of the beginning task amounts.

(2) The administrative review by the Department requires a percentage of Duval County's site files, work orders and invoices to be reviewed at least annually to determine the rating for document management. According to interviews with the contract manager, an on-site administrative review has not been performed with Duval County since 2003. This was due to travel restrictions. These reviews provide the Bureau with assurance of Duval County's performance of site management activities.

Recommendation: (1) In order to prevent funds from being maintained annually by Duval County in excess of the 10% contractual allowance, we recommended the Division establish a process to adjust the carry over balance once the YEFS is received and actual fund balance is known.

(2) We recommended the Bureau perform annual administrative reviews as required in the contract.

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Action Taken: (1) The Petroleum Restoration Program agreed with the recommendation to eliminate the carry over balance once the YEFS is received, and they are reviewing the existing contract and task assignment to see what changes or amendments are necessary to accomplish this goal. Potential amendments will be discussed with the Office of General Counsel (OGC) and the OIG.

(2) The Petroleum Restoration Program agreed with the recommendation to perform administrative reviews as required by the contract. During the past fiscal year they completed administrative reviews for Alachua, Palm Beach, Polk and Volusia Counties. The Petroleum Restoration Program will continue to perform additional administrative reviews once the Petroleum Restoration Program Teams are in place. A tracking system is being developed to ensure the local programs are meeting the metrics that have been established for them. Each local program will submit quarterly reports demonstrating the achievement of these metrics to be reviewed by the Petroleum Restoration Program local program county liaison, contract manager, team leader and the Program Administrator. Discussions with those not meeting their metrics will follow with guidance on how to meet the metrics. Action for those counties that consistently do not meet the metrics will also follow.

A-1314DEP-008: Review of Contract with York Risk Services Group, Inc. GC714

The scope included review of Contract GC714 (contract) between the Division and York Risk Services Group, Inc. (York) for Petroleum Cleanup Preapproval Program administrative services. More specifically, scopes of service 1–12 in Task Assignments 31, 32, and 33 were reviewed.

Results of Review: (1) Management oversight areas of concern were noted in the following scopes of service: database quality assurance reviews, utility invoices, site scoring, and general administrative services.

(2) IPTF money was used for non-petroleum activities.

(3) Financial consequences are required with Section 287.058(1) (h), F.S., and effective July 1, 2010 contracts must contain provisions for financial consequences if a provider fails to perform in accordance with a contract. The Florida Department of Financial Services conducted a review of selected agencies' contracts in 2013 to assess compliance with this statute. According to this review, GC714 did not have the financial consequences provision. According to the contract manager, omission of the provision was an oversight that would be corrected with a task change order.

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Recommendation: (1) Given the various scopes of work and level of activities involved, we recommended the Division put processes in place to address task assignment planning based on documented business needs. The Division needs to actively oversee all scopes of service to ensure the on-going accountability and necessity of service. This includes addressing management of the following activities: Quality assurance reviews should be actively managed by the Division including the reviews needed, reviews completed, files remaining, and necessary completion dates. Utility invoice processing should be reviewed to make a determination on the definition of a unit, as well as review invoices for continued payment of minimum fees charged. The Division should develop site scoring plans based on well supported needs. Since the majority of sites re-scored in our review did not change their priority score into the funding threshold, and the Division pays the Contractor for each score and re-score, the Division should review the current scoring decision process for business impact. The activities conducted by staff under the staff augmentation portion of the task assignment should be actively managed by the contract manager and reviewed periodically to determine on-going business needs of the Division.

(2) We recommended the Division discontinue the use of IPTF funds for non-petroleum programs. We also recommended the Division further evaluate the extent of other Division functions related to the use of IPTF funds for non-petroleum programs.

(3) We recommended the Division add the financial consequences language, provided by DEP procurement section, to the current task assignments. We also recommended that the Division amend the contract to include the financial consequences language. The application of this provision will require active contract management with documented assessment of satisfactory/unsatisfactory deliverables.

Action Taken: (1) Database Quality Assurance Reviews (QA Reviews) – There are three categories for QA Reviews where the contract manager has instructed/assigned York to follow a prioritization and a completion timeframe. The DEP contract manager reviews and approves all completed QA Reviews received during a month, prior to the submission of the York monthly invoice. QA Reviews are assigned utilizing the following priority guidelines. First priority - sites that qualify for unrestricted cleanup funding activities (standard priority score threshold and special exceptions). Second priority - sites that have achieved cleanup completion for all discharges. Third priority - sites just below the priority score threshold, in the order of highest priority score first, followed by oldest eligibility date first within the same priority score.

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In addition to these above priorities there are three task types: Type #1 - (No Prior Funded Cleanup & No Prior QA Reviews), Type #2A (Yes or No Prior Funded Cleanup & Yes Prior QA Reviews) or Type #2B (Yes Prior Funded Cleanup & No Prior QA Reviews). Type #2B (highest rate category) is used more frequently than the other two types because the majority of sites for priority QA Reviews are for sites where prior funded cleanup work has previously occurred but no prior QA Reviews have been completed. Past increases and decreases in the funding priority threshold have resulted in more sites with prior funded cleanup work and no prior QA Reviews. However, task assignments will now specify the number of sites for QA Reviews by task type. The highest rate category (Type #2B) will be limited to no more than 50% of the total number of QA Reviews completed each month, unless approved in a change order. In addition, all QA Reviews will be assigned to the contractor on a monthly basis or as needed.

Utility Invoices – A definition for a unit rate for processing of utility invoices is now being specified in the task assignment. This definition will only allow for one unit charge per each utility invoice received for a facility, regardless of how many utility services are provided at the site or are mandated to be charged by the utility. Therefore, when a utility invoice includes separate charges for electricity, water, and sewer services only one unit rate will be invoiced, instead of three unit rates, as currently being charged for processing a utility service invoice of this type. A decision for the continuance of minimum monthly utility charges during the period of post active remediation monitoring is made by the program's site manager or supervisor not by York personnel. However, the contractor does monitor the activation and closing of utility accounts but is not involved in the decision process on when a utility account should be cancelled. York will now notify the DEP contract manager if there has been a minimum utility invoice received for each of the prior six months at a site. The DEP contract manager will forward this information to the program site manager.

Site Scoring - The program will continue to use its Site Scoring Plan based upon risk based management and the amended scoring rule, 62-771. We will ensure that any sites rescored meet the requirements of this rule upon adoption. In addition, the program will task the contractor for any site rescoring on an as-needed basis.

General Administrative Services - The onsite York accounting staff are supervised by a program Government Analyst 1 (GA) who manages the program's accounting office. The York lead Accountant produces reports that are reviewed by the GA, program management, team leaders, and other program staff. The York lead Accountant maintains reports, charts and graphs that are posted on the program website. Data from the Storage Tank and Petroleum Contamination Monitoring (STCM) database is used

by the GA to verify the amount of work processed by the York staff accountants. Timesheets for the York onsite employees are not signed by the GA but schedules and attendance records are maintained and monitored by the GA. York onsite and offsite staff timesheets are included in the monthly invoice package and are reviewed by the DEP contract manager. The documentation of the invoice reconciliation and audit work performed by the York offsite Accountant is entered into the Oculus database by facility number and then corrected in the STCM work order database. A monthly report is now being sent to the DEP contract manager by the York offsite Accountant summarizing the work order invoice audit reviews assigned and completed. The GA and the contract manger are now meeting once a month to review the invoice reconciliation and audit work performed by the York offsite Accountant.

(2) This finding is currently being addressed by the Division and the program accounting office in cooperation with York personnel that are involved with processing offsite noticing letters. It appears, based upon discussions with the program accounting office, that breakout costs by program will be corrected back to the beginning of the Fiscal Year and task assignment, July 1, 2013, so that non-petroleum related noticing costs will be shifted to appropriate funding sources. York has begun providing these breakouts with the November data. Data for July through October was submitted by York before December 31, 2013. All future task assignments will only be for IPTF related noticing. In addition, when the York contract is amended, language on noticing will be changed to show that only IPTF sites will be allowed for offsite noticing letters performed by York. The other programs in the Division will make separate arrangements with York for processing and mailing of initial or follow-up noticing letters.

(3) This issue has been addressed and a change order for the existing three York task assignments has been completed and signed. In addition, future York task assignments will have this same attachment until such time as this financial consequences language can be amended to the York contract.

A-1314DEP-009: Review of Division Management and Oversight of Recreational Trails Project Grants T2901 and T2902

The scope of this review included an assessment of management’s oversight over the grant procedures and controls for Recreational Trails Project Grants T2901 and T2902.

Results of Review: Inadequate supervision was revealed over management of the Recreational Trails Program (RTP); An audit conducted by Florida’s Department of Financial Services in April 2013 of Grants T2901 and T2902 disclosed that deliverables and scope of work, as set out in the application, were

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changed without supporting documentation justifying the changes. DEP, in response to the Department of Financial Services findings, prepared Amendment 3 which corrected the funding amounts and errors and also established one deliverable to be completed before December 14, 2013, before any compensation would be paid under this agreement. Amendment 3 was executed on August 30, 2013. Based on interviews with current and previous program supervisors, in addition to review of grant project files, this program has historically been managed mainly by one grant manager. Although the grant manager has reported to supervisors in the current and previous organizational structures, none have taken an active role to ensure that agreements and amendments are accurate, complete, and in accordance with program requirements.

Recommendation: In order to reduce or eliminate errors and omissions, we recommended that the Division establish procedures to document supervisory review and approval of all agreements, amendments, and exceptions before documents are forwarded to OGC or decisions are made on approvals of exceptions to time lines or requirements.

Action Taken: The Office of Operations is in agreement with the recommendation and has discussed this issue with the grant manager and informed them of the specific performance expectation modifications resulting from this audit. They also created procedures which are now in place to ensure supervisory review and approval of all agreements, amendments, and exceptions before documents are forwarded to OGC or decisions are made on approvals of exceptions to time lines and/or requirements. These procedures will ensure compliance by all section employees moving forward. This should reduce and/or eliminate any errors or omissions prior to the grantee executing documents. Additionally, a procedures manual will be prepared to ensure that present and future staff and supervisors have appropriate procedures to follow.

A-1314DEP-010: Review of Department Compliance with Chapter 71A-1 Florida Administrative Code, Regarding Information Technology Security

The scope of this review included a follow up of actions taken as a result of the security issues identified in the 2011 Management Review of Office of Technology & Information Services and the 2011 Risk Assessment conducted to address DEP compliance with Rule 71A, Florida Administrative Code (FAC).

Results of Review: Since the 2011 reviews were conducted, improvements were noted in the areas of internet filtering, internet use, information technology (IT) firewall protection, desktop rights, virus protection, IT training, IT staffing, and Computer Security Incident Response Team (CSIRT) meetings.

Added securities have addressed DEP’s use of E-signatures, password policies, and confidential and exempt information.

Recommendation: There were no findings or recommendations.

A-1314DEP-011: Review of Nonpoint Source Grants Administered by Lee County

The scope of this review included an examination of Agreements S0604, S0606 and S0610 (Agreements) between the Nonpoint Source Management Program (Program) and the Lee County Division of Natural Resources (County). The time period covered was January 1, 2012 through June 30, 2013.

Results of Review: Based on our review the County complied with the requirements of the agreements. The County also provided the appropriate forms and documentation to request reimbursement and verify matching funds with DEP.

Recommendation: There were no findings or recommendations.

A-1314DEP-012: Review of SRF Loan Collection Process

The scope included a review of State Revolving Fund Clean Water and Drinking Water loans currently in repayment and the repayments received from July 1, 2012 through June 30, 2013, along with restructured loans over the life of the program.

Results of Review: For the Clean Water and Drinking Water Loans included in our review, approximately half included regular 20-year repayment terms. The remaining loans with modified terms, adjustments, and subsidies within this review fell within requirements and allowances of the EPA and State’s SRF program for local sponsors. Over the past eight years, the ending fund balances for the Clean Water State Revolving Fund and Drinking Water State Revolving Fund have been steadily increasing as more loans are made and the receivable balance grows. This has also been in part due to the inflow of loan repayments combined with the continued EPA and State grant awards.

Recommendation: There were no findings or recommendations.

A-1314DEP-013: Audit of Contract GC681 Leon County Compliance Verification

The scope of this audit included an examination of Contract GC681 and its corresponding task assignments issued between July 2012 and September 2013.

Results of Audit: (1) Compliance Contract accountability and oversight could be improved. Facility inspections were claimed and paid as priority inspections more than once during Task Assignment 6 for Leon County. This was not considered an overpayment because Leon County performs more facility inspections than required and Leon County met its priority inspections without overpayment. However, the risk of inadequate controls to account for claimed priority inspections increases the opportunity of overpayment.

(2) A priority inspection was performed by Leon County, but the inspection was not included in Invoice 1 to Task Assignment 7. After the mistake was identified by the audit team, Invoice 2 was adjusted to compensate Leon County. The risk of Districts not documenting invoice reviews completed, of the facility inspections performed, increases the chances of not meeting the Federal government minimum inspection requirements. It also does not provide written feedback to the counties. The significance of these situations will increase as the number of routine annual inspections decrease to follow the Federal government minimum requirements.

Recommendation: (1) We recommended the District develop a method for identifying when a priority facility was paid/inspected to: reduce the possibility of paying for the same facility more than one time during a task assignment; ensure inspection payments for priority facilities occur for the related inspection period; and, assist in the identification of facilities where required inspections are needed to be performed.

(2) The Department contract manager should further refine the task assignment priority site inspection listing and separate the tasked priority inspection facilities from the remainder of the population on the task.

Action Taken: The Division concurred with the findings and recommendations and will develop an application to retrieve real time data from Florida Inspection Reporting Storage Tanks (FIRST) and STCM databases to identify, assign and track priority inspections that are to be completed by contracted inspection programs and District staff. It is the intent of the program that this tool is able to identify and track inspection status of routine inspections, in order to meet the agency's commitments to the U.S. EPA, as required by the Energy Policy Act of 2005 and the EPA/FDEP Grant Work Plan.

A-1314DEP-014: Review of the Division of Recreation and Parks’ Surplus Property Management

The scope included a review of the procedures and records used by a sample of State Parks, compared to the records of the Division of Administrative Services, to document the accounting and disposal of surplus property.

Results of Review: (1) Section 5(c) of DEP Directive 320, states, *all Department property items, if practicable, must be marked to identify them as belonging to the Department. Numbered decals will be issued by Property/Records Management for all inventory property.* Our test disclosed 13 instances where the property item appeared to be on site, as noted by the description of the item and that it was the only item listed. We could not, positively identify it, as there was no property decal attached and/or no serial number was recorded in DEP’s property records.

(2) The surplus property records and files we reviewed in the 17 Parks visited disclosed that there was no uniformity of records and files. Our review disclosed that five of the 17 Parks or 29.4% did not always have the witness’s signature on their Form 55-407 for property items scrapped. We noted that the time between the actual disposal of the property item and the date the Parks submitted the disposal form to the Property/Records Management Section for removal from the FLAIR property file was excessive in seven disposals. The time delay for these submissions ran from 130 to 772 days. Our tests also disclosed two instances where the proceeds of the disposal of surplus property, by sale as scrap metal, was deposited into the State Treasury and earmarked on the weekly receipts report as HOSP (Help Our State Parks) receipts. Park regulations state that only items collected during Park cleanup projects and through recycling bins may be sold for funds to be deposited to the credit of HOSP. In the above two instances, the proceeds were for the sale of surplus property, which should have been deposited as revenue received for sale of surplus property.

Recommendation: (1) We recommended the Division require the custodian delegates to attach the property decal to the property item and for items that are subject to the weather and above normal wear and tear, paint the number on the item, to ensure the item can be properly accounted for each year. Also, when the annual inventory discloses items with no decals, a replacement decal should be requested from the Property/Records Management Section. The Division should also consider establishing, not necessarily uniform records, but minimum requirements that all Parks should have for their property and surplus property records. This would provide some uniformity among each Park.

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(2) We also recommended that Parks comply with DEP Directive 320 and the State Parks Operations Manual in regard to witnessing the disposal of scrap property and the sale of surplus property. In addition, it was recommended that the Surplus Property Disposal Certification/Receipt form, upon its completion, be promptly forwarded to the Property and Records Management Section, to ensure that property records are complete and accurate.

Action Taken: (1) The Division agreed with the recommendation. In light of this audit finding, the Division has begun the process of developing written direction regarding the acquisition, application and replacement of property numbers to ensure division property is properly identified and accounted for.

(2) The Division agreed with the recommendation. In light of this audit finding, the Division has begun the process of developing written direction regarding the management of Division property, to include surplus property records. This effort will be in compliance with DEP Directive 320 and the State Parks' Operations Manual to ensure property records, witnessing the disposal and sale of surplus property and the prompt process of accurate records are completed uniformly throughout the Division.

A-1314DEP-018: Review of Escambia County Cleanup Contract S0482

The scope of this review encompassed two task assignments of Contract S0482 beginning July 1, 2011 through June 30, 2013 and selected performance activity. It included reviewing materials and activities related to the Petroleum Contaminated Site Cleanup Services in Escambia County (County).

Results of Review: According to the County contract manager, there is no documented methodology for estimating the number of non-program sites. Estimating this number is mainly based on professional judgment. The consistent over-estimate of non-program sites, along with the questionable amount of management activity on a significant percentage of sites, is an indication that the task assignment amounts reflect available funding, rather than an in depth review of projected County workloads.

Recommendation: We recommended the Division put processes in place to actively review the County's actual and projected workload of specific sites, as well as historical addition of non-program sites. Task assignment funding decisions should align with site activity levels and resource needs.

Action Taken: The Division reviewed the findings and concurred with the recommendation. The Petroleum Restoration Program will develop procedures for estimating the number of non-program sites that should be addressed under a given annual task assignment. Also, in response to this finding the

Division will develop guidance memorandum for site coordinators to better assist them in identification and tracking the oversight of non-program sites, based on the expected activities and workload needs for these sites during the upcoming year.

A-1314DEP-021: Review of Bulk Fuel Usage and Controls

The scope of this review included bulk fuel storage tanks located at Parks within the Division of Recreation and Parks and Reserves located within the Florida Coastal Office. The review period was Fiscal Year End 2013.

Results of Review: During our site visits, we compared physical inventory of fuel in selected tanks to the recorded fuel balance in monthly fuel reports. The physical inventory differed from the recorded balance in 10 out of the 13 tanks tested. Based on observations and document review at nine sampled Parks, three Parks do not require staff to complete a petroleum issue ticket when issuing fuel. One Park was not documenting fuel usage or submitting an Inventory Report to the District. Out of the nine sampled Parks, eight either do not conduct a physical inventory or do not reconcile the physical inventory to the balance stated in their fuel logs or records. These eight Parks reported the ending balance according to their fuel logs or records as the physical inventory on the Inventory Report. Parks were not conducting and recording an actual physical inventory, but were rather carrying forward the balance per records on a month to month basis. This caused discrepancies to develop between the physical and recorded inventories. It is understood that over time overages and shortages may occur due to elements such as evaporations, temperature changes, spills, or record keeping mistakes. By not taking the actual inventory on a monthly basis and reconciling the actual count to records, the Park has no true account of the actual amount of fuel maintained in the tank. Overages and shortages that are not recorded and reconciled monthly result in growing discrepancies between records and actual inventory over time. Based on interviews at the sampled Florida Coastal Office Reserve, the Reserve does not conduct a physical inventory of bulk fuel or reconcile the physical inventory to the balance stated in their fuel log or records.

Recommendation: We recommended the Division require Parks with bulk fuel tanks to comply with Chapter 5, Section 11 of the Operations Manual. Park staff should complete a petroleum issue ticket when issuing fuel. The Division should require Parks with bulk fuel facilities to conduct a physical inventory at least monthly. The physical inventory should be reconciled to the balance stated in their fuel logs or records by reporting the physical inventory in the Inventory Report. Any overages or shortages should be recorded and explained on the inventory report. We also recommended that the Florida Coastal Office

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develop procedures requiring Reserves to conduct a physical inventory at least monthly. The procedure should also require Reserves to report the physical inventory and reconcile it to the balance stated in their records or logs on a monthly basis.

Action Taken: The Division agreed with the recommendation. The Division has a process and documentation in place to account for bulk fuel usage. The Division will direct Parks with bulk fuel tanks to comply with Chapter 5, Section 11 of the Operations Manual. The Division will review the current procedure and make any changes needed to provide system-wide consistency and communicate any changes to all Parks. The Florida Coastal Office reported it has developed and implemented the required monthly procedures to conduct a physical inventory and reconcile the logs on a monthly basis.

A-1314DEP-022: SRF Audit for FY 2012-2013

The scope and objective of this engagement was to conduct an audit of the Clean Water and Drinking Water State Revolving Fund Program (SRF), Special Purpose Financial Presentations for FY 2012-2013. Standards require that we plan the audit to obtain a reasonable assurance about whether the financial statements are free of material misstatement.

Results of Audit: There were no issues discerned involving the Department's internal controls over financial reporting and its operation that we considered to be significant deficiencies or material weaknesses. The results of our tests disclosed no instances of noncompliance that are required to be reported under Government Auditing Standards.

Recommendation: There were no findings or recommendations.

A-1314DEP-023: Review of Contracts GW281 and GW283 with Department of Health

The scope included the review of Contracts GW281 and GW283 with the Department of Health, Bureau of Environmental Health. More specifically, it included review of well surveying, well sampling, and administrative services for the Petroleum Cleanup Program during Fiscal Year End 2014.

Results of Review: Based on our review of processes for the frequency of conducting well surveys and samples, available funding directs the testing amount, rather than environmental necessity. The current process in place for frequency of surveys and sampling relies on professional judgment. The determination of sampling frequency has been led by the contractor. The purpose of sampling is to give the contractor and DEP a better depiction of the contamination's movement and potency over time. When

sample results are received, the contractor uses their professional judgment to determine the necessary frequency of future sampling events. Criteria developed by the contractor staff and contract guidelines are followed for initial follow-up re-sample. Beyond the initial re-sample, the contractor’s professional judgment justifies further sampling events for a particular facility.

Recommendation: We recommended the Division put professional practices in place to stipulate the frequency of survey and sampling events to reflect environmental necessity from a universal standing among Division professionals and Division management rather than professional judgment of the contractor and available funding.

Action Taken: As part of the Division’s risk-based approach to petroleum cleanup, the Petroleum Restoration Program will develop guidelines for their site managers that will assist them, once a site’s contamination assessment has been completed, to consistently identify sites that are a low-risk for potable well impacts. Sites that are determined to be low-risk would be recommended for removal from the potable well survey rotation cycle to allow potable well survey efforts to focus on sites where the services are environmentally necessary. The Scope of Services Section VI (Re-Sampling of Potable Wells) included in Contract GW283 will be amended upon the next contract renewal in 2014. The revised Scope of Services will require DEP to direct potable well re-sampling efforts based on environmental conditions including site-specific groundwater conditions, contaminant characteristics and the protection of public health. Furthermore, language related to the contractor’s professional judgment in potable well re-sampling decisions will be removed. These changes are designed to promote increased Division oversight and ensure that potable well re-sampling efforts are also focused where environmentally necessary.

A-1314DEP-024: Audit of Ellie Schiller Homosassa Springs Wildlife State Park

The scope of this audit included activities of Ellie Schiller Homosassa Springs Wildlife State Park during the period of July 1, 2012 through June 30, 2013.

Results of Audit: The Ellie Schiller Homosassa Springs Wildlife State Park (Homosassa Springs) attendance does not include guests who use the Park’s hiking trail and pavilion. Park management is aware of this issue and has expressed interest in using counters for the trail and pavilion. The Park has counted attendance numbers for outreach events held outside the Park in the past. According to Park staff, these were decisions made by former Park management and are no longer in practice. The Easter egg hunt and other special events were made free to the public. The attendance was estimated at 3,000. According

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to the District, there was no documentation of an approved entrance fee waiver. The financial practices at Homosassa Springs include the proactive offering of various discounts to visitors, thereby reducing Park service revenues, and the proactive solicitation of HOSP donations to benefit Homosassa Springs specifically. During our site visit, this practice often applied to the same transaction.

Recommendation: We recommended the Park use estimation methodologies approved by the District for trail and pavilion usage and for special events, so that well supported and reliable attendance numbers can be determined. Estimated attendance should be documented as such on the Weekly Tabulation of Visitors Attendance form. We further recommended the Park seek District approval for any fee waivers of special events. Although the Park is no longer counting attendance for volunteer participation in outreach events outside the Park, going forward, we recommended Park management seek and document District approval prior to making decisions on participation and the financial and attendance administration of special events and outreach. We recommended the Division adhere to the intent of Section 258.015, F.S., in regards to Park and CSO practices that divert normal Park revenues to CSOs, rather than producing additional revenue to help enhance the use and potential of the State Park System. The Division should adopt a consistent policy for approved CSO fundraising efforts that focus on additional revenue to the Park, above and beyond general revenue obtained by the Park through the normal course of business. We recommended the Division work with the Park to adhere to the Division's policies on discounts. If there are departures from the Division approved discounts, the Park should justify the special nature and beneficial purpose of the discount and the discount should be approved by the Division. Further, the Division needs to review the active solicitation of Park-specific HOSP collection practices for professionalism and consistent treatment of Park guests.

Action Taken: The Districts and Parks have been instructed to work together to ensure approved estimation methodologies are used to count estimated visitation at areas where actual visitation counts are not possible, and that estimated visitation is recorded correctly. The Parks have been instructed that all fee waiver requests will be pre-approved, in writing, by the District Bureau Chief. In most Parks visitors pay admission fees before entering the parking area. Homosassa Springs is one of several Parks where admission fees are collected after visitors have parked. The parking areas in these Parks are not designated as fee collection areas. However, when events occur applicable fees or a fee waiver will be applied. The Parks have been instructed to consider financial and attendance administration when making decisions about participating in special events and outreach. Park management is aware of the opportunities, resources available and benefits from conducting and participating in special events and

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outreach. Parks communicate with their District on any large events to seek review, support and any approvals that may be needed in accordance with Operations Manual Chapter 4 Section 29.

Conducting membership drives is an effective method to increasing CSO membership and the support base for the Park. Membership drives both at the Park and at other venues outside the Park are appropriate as long as they do not divert normal Park revenues. The Division has directed the Park to end the practice of diverting normal Park revenues during membership drives. The Districts and Parks have been directed to cease any CSO membership drives being conducted on the same day as CSO Member Appreciation Days so as to divert normal Park revenues. The Division and Office of Operations are currently reviewing and updating the Division’s CSO Handbook which includes guidance on fundraising. The Annual Program Plan, Form DRP-052, includes fundraising activities and is approved annually by the Park Manager. Once the CSO Handbook is approved, changes will be incorporated in the Operation Manual and communicated to the Parks.

The Division was aware of and previously approved AAA and AARP admission discounts at Homosassa Springs. The Division reviewed the justification for these discount programs and determined they no longer provide a benefit sufficient to continue them. The Park has been directed to end discounts to members of AAA and AARP effective June 30, 2014. The Division, will review the active solicitation of Park-specific HOSP collection practices for professionalism and consistent treatment of Park visitors and make any changes needed to provide system-wide consistency and communicate any changes to all Parks.

A-1314DEP-025: Audit of Financial Reporting Related to the Operator Certification Program

The scope encompassed a compliance audit of the Operator Certification Program of the financial reporting and other transactions as appropriate for FY 2012-2013.

Results of Audit: Fees collected from exam hopefuls and licensed operators have grown the fund balance to an unnecessary level. The program fund balance chart shows that, \$3,112,922.56 was carried forward on July 1, 2013. Until Fiscal Year End 2014, the program did not have the legislative budget authority to spend funds in the program fund balance. The Legislature provided the budget authority to spend \$300,000 of the fund balance on July 1, 2013. The program fund balance should be used to reduce the financial burden on the licensed wastewater and drinking water operators.

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Recommendation: We recommended the Department continue to request budget authority from the Legislature to use funds in the Operator Certification Program fund balance, created with fees paid by operators. Additionally since budget authority is provided annually, it is recommended that a moratorium or waiver of fees be evaluated annually. It is not recommended that the fee structure be formally changed, but that moratorium or waiver language is added to the Program procedures with a contingency based on the Legislature providing the authority to spend funds from the Operator Certification Program fund balance.

Action Taken: The Division agreed with this finding and began a process designed to reduce this overall balance. As noted in the audit, the Operator Certification Program did receive legislative authority to begin spending its revenue in 2014. With this new spending authority, the Operator Certification Program budget will begin showing a significant increase in its expenditures which in turn will dramatically reduce the amount of unspent money that had been accumulating in each of the previous years.

Furthermore, since the Operator Certification Program's rule (62-602) is on the Division's regulatory plan for revision, they will look at potential revisions that would allow for fee reductions or abilities to offer fee incentives for using the program's current and future online functionalities. Areas that will be considered for temporary fee reductions to reduce the financial burden on our water, wastewater and distribution operators would be: license renewal fees, exam fees, license fees, and delinquent fees.

**A-1314DEP-026: Review of Florida Communities Trust Grant Project at Vilano Beach
Oceanfront Park, St. Johns County**

The scope of this review included Project 06-034-FF6 (Project) between the Florida Communities Trust (FCT) and St. Johns County (County). More specifically, it included review of the Project's grant documents, management plan, and stewardship reports submitted between 2007 and 2013.

Results of Review: During our visit to the Project site, we found that the condition of the site conflicted with the information included in the most recent stewardship report. FCT staff only provide oversight through review of stewardship reports and do not conduct site visits. By not conducting site visits, FCT staff are not able to verify the County has reported accurate information in the stewardship report or ensure the County is following the approved Management Plan.

Recommendation: We recommended FCT staff conduct site visits to verify that information contained in stewardship reports is correct. If during the site visit the County is found to be out of compliance with the Management Plan, the Program should take appropriate action to ensure compliance.

Action Taken: The Office of Operations agreed with the recommendation and has discussed these issues with staff. They have created a report that lists all FCT properties and date of last inspection. Staff has already begun utilizing this report and visiting projects that have not been inspected within the past five years. Because there are over 500 projects and only 3 staff, they are in the process of categorizing the projects into risk categories so the site visits can be prioritized. All projects found in noncompliance will receive a letter identifying a deadline in which to remedy the noncompliance issues. Projects identified as noncompliant will also be marked as high risk and will be monitored more closely and inspected on an annual basis. When compliance issues are not resolved, they will work with the program attorney to develop a method to initiate the State’s legal interest in properties.

A-1314DEP-029: Review of Coastal Construction Control Line Final Certifications

The scope was to review final certifications regarding Coastal Construction Control Line (CCCL) permitting from January 1, 2013 through December 13, 2013.

Results of Review: We conducted a review of the permit process to determine if final certifications were obtained at the end of the permitting process, as required by Ch. 62B-33, FAC. Based on our review, it was determined that all sampled, final certifications for the CCCL Program were obtained and filed in the appropriate permit file.

Recommendation: There were no findings or recommendations.

A-1314DEP-030: Review of the Water Supply Restoration Program (WSRP)

The scope of this management review included operations of the WSRP primarily for the period FY 2012-2013, but other periods as necessary.

Results of Review: The WSRP does not have written policies. The procedures are understood by the management team in place because rule 62-525 FAC (repealed in 1995) explained WSRP’s procedures. Relying on “understood” policies could result in significant deviations from program intent. Additionally, the rule did not include a quality assurance component or a process to end assistance. The WSRP has been using varying restoration thresholds as its goal of providing a margin of safety where there is no expected risk to health before a site is closed. Using the same contaminant threshold for assistance and removal would be more in line with EPA’s established standards for safe drinking water. Contaminant

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monitoring plans with specified terms, thresholds, and conditions could reduce long term assistance if monitored by a quality assurance process.

Recommendation: We recommended WSRP develop written procedures that include:

- Contaminant monitoring plans that would address sampling and solution (bottled water or filtration system) terms with the intent of reducing long term sampling costs and solution costs.
- Declaration in writing of the threshold concentration of a contaminant that is to be used for assistance and for removal.
- Establishment of a process to end assistance that includes a quality assurance component. We also recommended WSRP pursue a cost benefit analysis of an aggressive technical review of current assistance.

Action Taken: With regards to the finding of "No written policies in place", the Division agreed with this finding and began the process to implement writing of policies and procedures. With regards to the recommendation of "pursuing a cost benefit analysis of an aggressive technical review of current assistance", this has already been done. A comprehensive analysis was completed on the program and presented to Division Senior Management in October 2013. As a result of the program analysis, program staff have already identified and initiated a way forward to reduce/remove dependency on the program by private well owners, as well as overall housecleaning of the database.

A-1314DEP-032: Review of FCT Project - City of Port Richey

The scope of this review included Project 95-067-P56 between FCT and City of Port Richey. More specifically, it included a review of the project's management plan and stewardship reports submitted between 1998 and 2013.

Results of Review: Based on our review and site visit, the City of Port Richey has generally complied with all project requirements contained in the management plan.

Recommendation: There were no findings or recommendations.

A-1314DEP-034: Audit of Broward County Cleanup Contract S0479

The scope of this audit included four task assignments of Contract S0479 (contract) beginning January 1, 2010 through June 30, 2013. It included reviewing materials and activities related to the Petroleum Contaminated Site Cleanup Services in Broward County (County).

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Results of Audit: (1) The County does not maintain a method for tracking time worked within the contract therefore, a determination could not be made to support salary allocation. This issue was presented in previous audits of the County. Currently, the County maintains salary reports with leave hours, but has not put a time tracking mechanism in place to record program work tracking.

(2) Based on our review, actual salaries paid to staff for each job category on average was higher than the estimated salaries on Task Assignment 4. Salary estimates on the task assignment were below the actual amounts included in the program. With no requirement for the County to adhere closely with the budgeted task assignment salary amounts, actual salaries can be greater than estimated salaries set for staff. This provides an inaccurate justification for estimating program expenses and exposes IPTF funding to inflated salary expenses.

Recommendation: (1) We recommended the Division direct the County to track employee’s work hours associated with the program to support salary expenses to the contract. If administrative or other program staff are used as support for other programs, those hours should be documented and paid accordingly.

(2) We recommended the Division put controls in place that require salary expenses charged to the contract to align with the task assignment. Accurate task assignment cost estimates based on actual salaries are necessary to maintain accountability for program expenses and determine the correct funding amounts for the County.

Action Taken: (1) The Division concurred and directed the County to develop a tracking system to track/document employee hours so that salary expenses charged to the contract are supported.

(2) The Division concurred and will work with the counties to develop the task assignments to ensure a more accurate estimate of salaries so that the salaries do not exceed the budgeted amount; and if they are looking like they might, the counties will contact us in advance so that adjustments can be made to the task assignment.

A-1314DEP-035: Audit of Fairytales Services Concession Contract C-0713 at Maclay Gardens

State Park

The scope of this audit included select activities of Fairytales Services Concession (Concession) Contract C-0713 with the Division of Recreation and Parks (Division) during the period January 1, 2013 through December 31, 2013.

Results of Audit: The list of event deposits included with the Monthly Gross Sales Report (MGSR) details payments by customer names with no event date. The event contracts maintained by the Park are arranged by the event date. The Park Manager does not cross reference payments received each month to specific event contracts without the event date. Therefore, outstanding balances cannot be maintained to ensure all payments are being reported. As a result, the MGSR for the audit period did present significant differences relative to the general ledger. Based on this audit, total under reported revenue was \$2,941.42 resulting in unpaid commission of \$679.47.

Recommendation: (1) We recommended the Division put in place a reconciliation process at the Park level that better verifies monthly concession sales receipts. The Concessionaire should be required to include the corresponding event date or contract sequential numbering for each payment on the list of deposits so Park management can maintain outstanding balances on the contracts they archive. Contracts that are not fully paid can then be identified by Park management after an event takes place.

(2) We also recommended the Division request payment of \$679.47 for commission due from the Concessionaire for unreported revenue.

Action Taken: (1) In discussion with the owner of Fairytales Wedding and Special Event Services, all discrepancies occurred due to internal business payment tracking issues that existed until August 2013. This situation was corrected in September of 2013, at which time the Concessionaire tied their credit card system to an account for Maclay Gardens ensuring correct automatic deposits. Since that time, no errors have occurred.

(2) The Division has requested that the Office of Operations further investigate the time period from the start of the business arrangement (not included in this Audit) up to January 2013 to determine if \$679.47 is the correct amount, before requesting commission payment for unreported revenue. When complete, the Division will inform the Auditor and collect on all unpaid commissions. In order to more thoroughly verify reported income from concession operations such as this, the Division will request the Office of

Operations create tools for Concessionaires state-wide to use in accordance with the recommendation that allows Park Managers to verify and reconcile monthly remittance (customer’s payment plans) on the Concessionaire’s contracts and events conducted inside the Parks. The Division also requested the Office of Operations require similar tools for all new concession agreements.

A-1314DEP-036: Limited Review of Revenues, Purchase Card Expenditures and Inventory at Anastasia State Park

The scope of this limited review included revenues, purchasing card expenditures and inventory at Anastasia State Park (Park) during the period of July 1, 2012 through June 30, 2013.

Results of Review: For the sampled months, the total revenue in the Daily Income Reports matched the Weekly Report of Receipts without exception. In addition, the daily revenue collected in cash and checks was accurately reflected in the validated bank deposit slips. Purchasing Card expenditures were allowable, as provided in the Department’s Purchasing Card Guidelines. Employees submitted documentation/receipts for the purchases and were within pre-determined spending limits. We obtained a complete property list of the Park from the Bureau of General Services. We were able to identify the selected items during our review.

Recommendation: There were no findings or recommendations.

A-1314DEP-038: Review of Program Efficiencies Related to the MS4 Stormwater Permit Program

The scope included a review of the National Pollutant Discharge Elimination System program in the Division of Water Resource Management (Division). Specifically, this review included the population affected by Phase I Municipal Separate Stormwater Sewer System permits and annual reports.

Results of Review: Overall, the program provides an extensive assessment of stormwater discharges and how these discharges affect the water quality of the State. The program meets the regulatory guidelines for administering stormwater discharge to the State.

Recommendation: There were no findings or recommendations.

A-1314DEP-040: Audit of Brevard County Cleanup Contract S0478

The scope of this audit was an examination of Contract S0478 in the Petroleum Restoration Program between the Department and Brevard County (County). The audit encompassed the two task assignments beginning July 1, 2011 through June 30, 2013 and performance events through February 2014. It included reviewing materials and activities related to cleanup services in Brevard and Indian River Counties.

Results of Audit: Prior audit findings in report A-1112DEP-026 included the County's overstatement of expenditures and fund balance exceeding 10% of task assignment funding. The audit recommended the adjustment and reissuance of the YEFS. The County and DEP complied with the audit's recommendations and generally complied with program requirements.

Recommendation: There were no findings or recommendations.

A-1314DEP-041: Audit of Miami-Dade County Cleanup Contract S0480

The scope of this audit included an examination of Task Assignments 3 and 4 of Contract S0480 beginning July 1, 2011 through June 30, 2013, as well as performance during Task Assignment 5. It included reviewing materials and activities related to the Petroleum Contaminated Site Cleanup Services in Miami-Dade County.

Results of Audit: We reviewed financial documents for Task Assignments 3 and 4. Based on our interviews, database reviews and financial examinations, we found the County and the Department generally complied with the financial component of the Program Requirements. We reviewed work performed under Task Assignment 4 for performance. The performance goal for document management is 90% or greater during a Division Administrative Review. According to our tests of documents, the County achieved a compliance rate of 76% in Task Assignment 4 and a rating of 93% in the first two quarters of Task Assignment 5. Task Assignment 3 was not reviewed for performance. Minor issues regarding invoicing were reconciled with the County during the audit. These issues involved multiple sites with one Facility ID and one site with two Facility IDs. According to County staff, the Division had not performed the Administrative Review or the on-site Technical Review in several years. The Division has restructured its review methodologies and no longer performs on-site Technical Reviews. The current Petroleum Restoration Program process for Administrative Review consists of a document comparison between STCM and OCULUS.

Recommendation: There were no findings or recommendations.

A-1314DEP-043: Audit of Hillsborough County Cleanup Contract S0483

The scope of this audit included an examination of Contract S0483 (contract) with the Hillsborough County Environmental Protection Commission (County). The period audited was July 1, 2012 through June 30, 2013 and included Task Assignment 4.

Results of Audit: The County does not document the actual hours each staff has worked under the contract. By not documenting hours worked in the contract, the Division cannot be assured the salary and benefits portion of the YEFS are accurate.

Recommendation: We recommended the Division direct the County to track staff work hours associated with the contract to support the salary and benefits portion of the YEFS.

Action Taken: The Division concurred and directed the County to develop a tracking system to track/document employee hours associated with the contract so that salary expenses/benefits charged to contracts are supported and therefore, will be accurately reflected in the YEFS.

A-1314DEP-044: Review of the Recreational Trails Program Project Application Scoring Process

The scope of this review included the Recreational Trails Program (RTP) project application scoring process.

Results of Review: Based on our observations, meetings, and review of the RTP policies and scoring process, the current administration of the RTP grant program has produced delays, processes that are not transparent and consistent, perceived conflicts of interest, and avoidable travel costs. Overall, execution of the Grant has not been timely. We found that RTP does not have a deadline to review the applications or to notify the applicants of deficiencies. Based on our review of rules, forms and scoring guidance, updates had not been made in recent years. Because of outdated guidance and limited written definitions, different funding decision interpretations were used. Pre-award visits were not well documented and did not involve applicants. The RTP priority list is submitted to the DEP Secretary or Deputy Secretary for approval and signature prior to a site control review by OGC. This represents an inefficient and incomplete process of project review before the list is submitted to the Secretary or Deputy Secretary for approval. RTP requires applications and responses to noted deficiencies be submitted by applicants by specific dates. The applications and responses to deficiencies were not date/time-stamped. This practice exposes the process to the risk of inconsistent and undocumented treatment of applicants in accepting late

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submittals, responses or document changes. Travel is routine for certain committee members’ participation in the RTP scoring meetings. This travel typically exceeds \$1,000 per meeting. While activities of the scoring committee are necessary to meet the requirements of the Federal grant, there is no valid justification documenting the necessity of travel costs.

Recommendation: We recommended the Office of Operations address current practices of the RTP scoring process. This includes improvement in the following areas:

Administration

- The program rule, procedures, scoring guidance, and training should be reviewed, updated and published on the DEP website.
- Establishment of a uniform process that involves Office of Operations Management oversight, as well as specific deadlines for pre-award evaluation, notification to applicants, and execution of grant agreements.
- Development and evaluation of site control with OGC prior to committee review and Secretary/Deputy Secretary Signature.
- If site visits are deemed necessary by DEP, documentation of pre-award site visits with the applicant present if possible.

Scoring

- Establishment of a consistent and well documented scoring process that supports individual, consensus, and management review of applicant scores.
- Use of internal DEP staff as scoring committee members with no conflicts of interests regarding projects. Use of internal staff would also serve to reduce travel costs.

Action Taken: The Office of Operations concurred with the recommendations and discussed these issues with the grant manager and informed them of the specific performance expectation modifications resulting from this audit. They are committed to improving the management and oversight of the RTP program and will be improving upon their written procedures and have drafted a performance timeline. To further streamline the process and reduce the timeframe of each funding cycle and review period, they will modify the scoring process as recommended to ensure fairness and transparency. Office of Operations staff will continue to evaluate each of the recommendations identified in the audit review and move forward with those recommendations, as necessary for further review and refinement by November 14, 2014.

A-1314DEP-046: Audit of Pinellas County Cleanup Contract S0486

The scope of this audit included two task assignments of Contract S0486 beginning July 1, 2011 through June 30, 2013. It included reviewing materials and activities related to the Petroleum Contaminated Site Cleanup Services in Pinellas County (County).

Results of Audit: Based on our audit, the County and DEP generally complied with the program and contract requirements. All costs reported by the County were reasonable and allowable per the contract and Inland Protection Trust Fund requirements.

Recommendation: There were no findings or recommendations.

H-1314DEP-019: Review of Concessionaire Annual Agreed-Upon-Procedures Reports for Calendar Year 2012

The scope of this advisory review included concessionaires with gross sales of \$400,000 or greater in calendar year 2012.

Results of Review: According to a report provided by the Bureau of Finance and Accounting, 22 concessionaires reported annual gross sales exceeding \$400,000. Of the 22, two were exempt from this review because the OIG conducted audits of the concession contracts for the same time period. We compared gross sales reported in the reports to gross sales reported by the Bureau of Finance and Accounting. We also reviewed reports for a statement regarding compliance with the contract minimum accounting requirements and noted any material audit comments and findings presented in the reports. Based on this review, differences between gross sales reported on the Monthly Report of Gross Sales and annual gross sales as stated in the reports were immaterial for the reports received.

Recommendation: There were no findings or recommendations.

V-1314DEP-031: Review of Management Oversight for Funds Appropriated to the Hinkley Center

The scope included review of the Hinkley Center for Solid & Hazardous Waste’s (Center) management oversight for research center activities. The review included the population affected from appropriated funds from July 1, 2010 to June 30, 2013 and the oversight by the Division of Waste Management.

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Results of Review: Salaries, administrative costs, and other Center expenditures are determined by the University of Florida, since there is no contractual agreement associated with the appropriation transfer of funds.

Recommendation: There were no findings or recommendations.

V-1314DEP-045: Review of Board of Trustees Land Document System (BTLDS) Refresh Project Procurement

The scope of this review included the procurement activities for the BTLDS Technology Refresh Project for FY 2013-2014.

Results of Review: The procurement activities for the BTLDS Technology Refresh Project fell within the requirements of the Department of Management Services, Information Technology Consulting Contract, Florida Statute, and Florida Administrative Code. Based on evaluation documentation and interviews with the evaluation team, the decision was based on the vendor's historical experience with DEP, knowledge of BTLDS, experienced staff and their approach to solving the problem. According to interviews with team members, there did not appear to be any personal conflicts of interest.

Recommendation: There were no findings or recommendations.





INTERNAL INVESTIGATIONS SECTION

The Inspector General is responsible for the management and operation of the agency's Internal Investigations Section. This includes planning, developing and implementing an internal review system to examine and investigate allegations of misconduct on the part of the department's employees. Investigations are designed to deter, prevent and eradicate fraud, waste, mismanagement, misconduct and other abuses.

The investigative duties and responsibilities of the Inspector General, as defined in Section 20.055 F.S., include:

- Conducting, supervising, and coordinating investigations designed to detect, deter, prevent, and eradicate fraud, waste, mismanagement, misconduct, and other abuses in the Department.
- Receiving complaints and coordinating all activities of the agency as required by the Whistle blowers Act pursuant to Sections 112.3187 – 112.31895, F.S.
- Receiving and reviewing all other complaints (non-Whistle-blower's Act), and conducting such inquiries and investigations as the Inspector General deems appropriate.
- Conducting investigations related to alleged employee misconduct or reporting expeditiously to the Florida Department of Law Enforcement (FDLE) or other law enforcement agencies, as deemed appropriate by the Inspector General.
- Conducting investigations and other inquiries which are free of actual or perceived impairment to the independence of the Inspector General or the staff in the OIG.
- Submitting the findings to the subject of each investigation in which the subject is a specific entity contracting with the state or an individual substantially affected, if the investigation is not confidential or otherwise exempt from disclosure by law. The subject shall be advised in writing

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that they may submit a written response 20 working days after receipt of the findings. The response and the Inspector General's rebuttal, if any, must be included in the final report.

- Submitting in a timely fashion, final reports on investigations conducted by the OIG to Senior Management and applicable departmental management, except for Whistle-blower investigations, which are conducted and reported pursuant to Section 112.3189, F.S.

Investigative Activity for FY 2013-2014	
Inquiries/Complaints Received	135
Investigations Opened	17
Other Activity Opened	118
Investigations Closed	21
Other Activity Closed	62
Complaints Referred to Agency Management	21
Complaints Referred to Other Entities	28
Closed Cases with Substantiated Allegations	12
Allegations Substantiated in Closed Cases	18

Investigative Findings	
Sustained	12
Completed	53
Review Complete	3
Not Sustained	2
Unfounded	5
Completed – Referred to DEP Management	21
Completed – Referred to Outside Entity	28
Exonerated	1
Non-Jurisdictional	4
Withdrawn	3

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Types of Investigative Activity per Division	
Office of Emergency Response	1
Recreation and Parks	29
Water Resource Management	3
State Lands	9
Other	30
Office of the Secretary	6
Waste Management	20
Administrative Services	0
Coastal & Aquatic Managed Areas	0
South District	2
Northeast District	1
Northwest District	1
Southwest District	4
Environmental Assessment & Restoration	0
Southeast District	7
Air Resource Management	0
Central District	5
Office of Beaches & Coastal Systems	3
Office of Technology & Information Systems	2
Water Management District	9
Florida Geological Survey	0
Total Number of Investigative Activity Closed	132

Investigative Case Summaries

2012-104 - A complaint was received alleging Discrimination and Harassment, DEP Directive 436. Based on information gathered during this investigation and a review of documents the allegation was unfounded.

2012-127 – A complaint was received alleging Fraud, F.S. 894. Based on the review conducted, no evidence of tampering or providing false information to the Department was found.

2013-027 - A complaint was received alleging Violation of a Law or Department Rule, DEP Directive 435, 10 (e), regarding a public records request violation, F.S. 119.01(1). The Bureau of Human Resource Management provided a portion of the requested documents but the

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additionally requested documents could not be confirmed. The allegations were closed as unfounded.

2013-031 - A complaint was received alleging improper remuneration. Based on research and information gathered during this investigation, this complaint was referred to management.

2013-048 - A complaint was received alleging Discrimination and Harassment, DEP Directive 436. This investigation found no evidence of any unlawful or discriminatory practices; therefore, two counts were not sustained, and one was unfounded. One count was sustained but the matter had previously been handled by management.

2013-059 - A complaint was received alleging fraud, waste of agency funds and abuse of system practices, DEP Directive 435, 10(f). The investigation uncovered no corroborating evidence or proof supporting the allegations made.

2013-060 - A complaint was received alleging Discrimination and Harassment, DEP Directive 436. Based on the information gathered, there was no verifiable information to sustain the allegations.

2013-063 - A complaint was received alleging Misconduct and Mismanagement, as well as Poor Performance, DEP Directive 435, 10(a). Based on information gathered during this investigation the allegations of misconduct and mismanagement had either already been handled by management, or had no credible evidence to support the allegations. The allegation of poor performance was sustained.

2013-067 - A complaint was received alleging Discrimination and Harassment, DEP Directive 436. Based on the information obtained in this investigation, there was nothing to corroborate the allegations; therefore, the finding was unfounded.

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2013-087 - A complaint was received alleging violation of DEP’s Information Technology Security Directive, DEP Directive 390 and State Fuel Card Program Policy and Procedures. Based on the information gathered, there was no verifiable information to sustain the allegations.

2013-094 - A complaint was received alleging Violation of Law or Department Rules, DEP Directive 435, 10(e) and Insubordination, DEP Directive 435, 10(d). Based on the information gathered during this investigation, both allegations were sustained.

2013-099 - A complaint was received alleging Discrimination and Harassment, DEP Directive 436, as well as Conduct Unbecoming a Public Employee, DEP Directive 435, 10(f). Based on information gathered during this investigation, no violations of rules, directives or protocols were substantiated regarding discrimination and harassment; therefore, the finding was exonerated. The allegation of conduct unbecoming a public employee was sustained.

2013-102 - A complaint was received alleging Discrimination and Harassment, DEP Directive 436. Based on the information gathered in this case, there was nothing to support the allegations.

2013-103 - A complaint was received alleging violation of DEP Directive 390, Information Technology Security. Based on the information gathered during this investigation the allegation was sustained.

2013-112 - A complaint was received alleging mismanagement, improper purchasing card usage, and safety concerns. Based on information gathered during this investigation regarding mismanagement, there were no violations of policies or procedures. The allegation of improper purchasing card usage was sustained and the safety concerns were referred to the department’s safety officer.

2013-113 - A complaint was received alleging Conduct Unbecoming a Public Employee, DEP Directive 435, 10(f). Based on information gathered during this investigation, this allegation was sustained.

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2014-009 - A complaint was received alleging Discrimination and Harassment, DEP Directive 436. Based on information gathered during this investigation, it was concluded that there were no violations of policies or procedures. The complainant subsequently requested the investigation be dismissed.

2014-029 - A complaint was received alleging Discrimination and Harassment, DEP Directive 436 and Conduct Unbecoming a Public Employee, DEP Directive 435, 10(f). Based on information gathered during this investigation, the allegation of discrimination and harassment was unfounded. The allegation of conduct unbecoming a public employee was sustained.

2014-034 - A complaint was received alleging Violation of Law or Department Rules, DEP Directive 435, 10(e) and Conduct Unbecoming a Public Employee, DEP Directive 435, 10(f). Based on information gathered during this investigation, the allegation of violation of law or department rules was sustained. Two counts of conduct unbecoming a public employee were not sustained and one was sustained.

2014-050 - A complaint was received alleging Conduct Unbecoming a Public Employee, DEP Directive 435, 10(f) and violation of Information Technology Security, DEP Directive 390. Based on information gathered during this investigation, both allegations were sustained.

**Report
Fraud, Waste, or Abuse**

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