



Department of Education Office of Inspector General

ANNUAL REPORT

Fiscal Year 2018-2019



FLORIDA DEPARTMENT OF EDUCATION
OFFICE OF INSPECTOR GENERAL

Table of Contents

Introduction.....	1
Mission Statement.....	1
OIG Responsibilities.....	1
Organization and Staff.....	2
OIG Staff Qualifications and Certifications.....	3
Affiliations.....	3
Major Activities and Functions.....	4
Internal Audit.....	4
Accomplishments.....	5
Review of Performance Measures.....	16
Review of Corrective actions for Prior Year Audits.....	16
Audit Response Coordination and Follow-up.....	20
Risk Assessment and Audit Plan.....	21
Investigations.....	23
Additional Investigative Authority.....	24
Accreditation.....	24
Criminal History Check Program.....	25
Completed Investigations.....	25
Other Investigative Activities.....	28
Whistle-Blower Determinations.....	28
Other OIG Activities.....	28

INTRODUCTION

MISSION STATEMENT

The mission of the Office of Inspector General (OIG) is to assist the Commissioner of Education in achieving the department's mission of increasing student proficiency and maintaining an accountability system that measures student progress. The OIG accomplishes this by providing independent audits and reviews of programs and activities, conducting investigations of alleged violations, and offering consulting services to assist management in their efforts to maximize effectiveness and efficiency.

OIG RESPONSIBILITIES

Section 20.055, Florida Statutes, establishes the Office of Inspector General within each state agency to provide a central point for coordination of, and responsibility for, activities that promote accountability, integrity, and efficiency in government. Additionally, in accordance with section 1001.20, Florida Statutes, the OIG will conduct or coordinate investigations into substantiated allegations that a district school board or college board of trustees is unwilling or unable to address relating to waste, fraud, or financial mismanagement, as determined by the Commissioner of Education.

This annual report is presented to the commissioner and chief inspector general to comply with statutory requirements and to provide departmental staff and interested parties with information on the OIG's progress in accomplishing its mission. The OIG's responsibilities include:

- Conducting audits, investigations, and management reviews relating to the programs and operations of the department, including employment screening and background investigations;
- Reviewing and evaluating internal controls necessary to ensure the fiscal accountability of the department;
- Keeping the commissioner and chief inspector general informed concerning fraud, abuse, and deficiencies relating to programs and operations administered or financed by the department, recommending corrective action, and reporting on the progress made in implementing corrective action;
- Advising in the development of performance measures, standards, and policies and procedures for department programs;
- Coordinating, and monitoring the implementation of, the department's response to recommendations made by the Auditor General, the Office of Program Policy Analysis and Government Accountability (OPPAGA), the Florida Department of Financial Services, the U.S. Department of Education, and other external agencies; and
- Ensuring that an appropriate balance is maintained between audit, investigative, and other accountability activities.

ORGANIZATION AND STAFF

Effective July 1, 2014, Chapter 2014-144, Laws of Florida, changed the reporting structure for inspectors general in agencies under the jurisdiction of the Governor. The DOE inspector general remains under the general supervision of the Commissioner of Education but now reports directly to the Governor's Chief Inspector General. The OIG consists of 14 professional and administrative positions that perform internal audit and investigative functions, as shown below.

Office of Inspector General Organizational Chart



OIG STAFF QUALIFICATIONS AND CERTIFICATIONS

OIG staff is highly qualified and brings various backgrounds and expertise to the department. The collective experience spans a variety of disciplines, including auditing, accounting, investigations, internal affairs, law enforcement, and information systems.

OIG staff members continually seek to enhance their abilities and contributions to the office and the department. Many staff members have obtained certifications that demonstrate their knowledge, motivation, and commitment to the profession. Professional certifications held by OIG staff members include:

- Certified Inspector General (CIG)
- Certified Internal Auditor (CIA)
- Certified Information Systems Auditor (CISA)
- Certified Inspector General Investigator (CIGI)
- Former Law Enforcement Officer
- Certified Public Manager
- Notary Public
- Certified Commission for Florida Law Enforcement Accreditation Assessors



AFFILIATIONS

OIG staff members participate in a number of professional organizations to maintain proficiency in their areas of expertise and certification. These associations allow them to establish and advance professional networks and participate in professional development activities. OIG staff members are affiliated with the following professional organizations:

- Institute of Internal Auditors (IIA)
- Association of Inspectors General (AIG)
- Florida Association of Inspectors General (FAIG)
- Association of Government Accountants (AGA)
- Association of Certified Fraud Examiners (ACFE)
- Florida Society of Certified Public Managers
- ISACA



MAJOR ACTIVITIES AND FUNCTIONS

INTERNAL AUDIT

The purpose of the internal audit section is to provide independent, objective assurance and consulting activities designed to add value and improve the department's operations. Our vision is to help the department by facilitating change directed toward improving efficiency, effectiveness, accountability, and teamwork.

Responsibilities of the internal audit section include:

- Conducting compliance, electronic data processing, performance, and financial audits of the department to identify and recommending corrective action for deficiencies or matters of noncompliance.
- Conducting consulting activities in order to provide independent advisory services to department management.
- Assessing the reliability and validity of department performance measures.
- Ensuring effective coordination and cooperation with the Office of the Auditor General, OPPAGA, federal auditors, and other governmental bodies to ensure proper coverage and minimize duplication of effort.
- Conducting risk assessments of the department annually, taking into consideration the input of senior management.
- Developing annual and long-term audit plans outlining the audits to be conducted during each year and related resources to be devoted to the respective audits.
- Monitoring the implementation of the department's response to audit reports issued by the department's inspector general, Office of the Auditor General, OPPAGA, or other oversight agency.
- Developing and maintaining a quality assurance and improvement program that covers all aspects of the internal audit activity, with an external assessment conducted every three years.
- Participating in enterprise projects and providing assistance as requested by the chief inspector general.



The internal audit section conducts audits and reviews in accordance with the *International Standards for the Professional Practice of Internal Auditing*, published by the Institute of Internal Auditors, Inc. Reports are distributed to the Commissioner of Education, the Governor's Chief Inspector General, the Office of the Auditor General, and affected department managers.

ACCOMPLISHMENTS

Internal audit completed thirty-one engagements during the 2018-2019 fiscal year, which can be viewed online at www.fldoe.org/ig/auditreports.asp. The results of those engagements are summarized below:

Florida College System Baccalaureate Degree Approval Process - The Florida Department of Education, Division of Florida Colleges (DFC), has administrative and oversight responsibilities of the Florida College System (FCS) institutions' proposals for offering new baccalaureate degrees. The purpose of this audit was to determine if DFC has sufficient internal controls in place and is effectively conducting the baccalaureate degree approval process in accordance with applicable laws, rules, and regulations. During this audit, we noted that DFC is generally meeting the statutory requirements for reviewing and making recommendations on degree proposals to the State Board of Education. We also determined DFC is ensuring the received proposals follow statutory guidelines for required elements. However, there were instances where improvements could be made to strengthen some of these controls. For example, we cited instances where DFC did not adhere to statutory timelines for forwarding Notices of Intent (NOI) for baccalaureate degree programs.

We recommended DFC:

- Forward the notice of intent to the Chancellor of the State University System, the President of the Independent Colleges and Universities of Florida, and the Executive Director of the Commission for Independent Education within ten business days of receipt. In the event the NOI is deemed not sufficient for future approval of the proposal, we recommend DFC request that the FCS institution withdraw the NOI and resubmit a revised NOI at a later date. The Division might also consider making provisions for institutions submitting degree proposals to receive consultation or feedback prior to submitting an NOI; and
- Alter its tracking system to include the dates NOIs are returned to the FCS institutions and the revised NOI submission date.

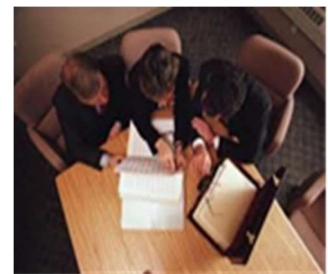
Alliance Community & Employment Services, Inc. - The Division of Vocational Rehabilitation (DVR) is a federal-state program committed to helping people who have physical or mental disabilities find and maintain meaningful employment and enhance their independence. DVR accomplishes this by providing employment support and job placement assistance to eligible individuals with disabilities. DVR utilizes vendors for people with disabilities who require specific services or equipment to help them prepare for, gain, and retain employment.

DVR and Alliance Community & Employment Services, Inc. (ACES) entered into an agreement on July 1, 2017, to provide employment services to eligible DVR customers. The purpose of this audit was to determine if ACES has sufficient internal controls to provide effective delivery of employment services and whether DVR is effectively

monitoring the agreement. During this audit, we noted that ACES generally had sufficient controls in place, and DVR provided oversight of the agreement. However, there were instances where improvements could be made to strengthen some of these controls. For example, we cited instances where DVR did not conduct monitoring in accordance with the monitoring plan; ACES did not make timely contact with customers; ACES placed customers in jobs that did not match the customer's Individualized Plans for Employment (IPE) goal and DVR paid for the placement benchmarks; two ACES employees did not have proper credentials to provide Supported Employment (SE) services; DVR approved a benchmark payment for a service provided by an employee that did not possess a required personnel credential; and ACES did not obtain approval prior to hiring customers at ACES and DVR paid for benchmarks achieved prior to giving written approval. The Audit Results section below provides details of the instances noted during our audit.

We recommended DVR:

- Conduct monitoring in accordance with the provider's risk assessment and subsequent monitoring plan;
- Promptly provide the monitoring results and recommendations for improvement to ACES and ensure corrective action has been initiated on noted deficiencies;
- Review ACES placement benchmarks and ensure the jobs obtained match the IPE goal at the time of placement. For any payments made for placement benchmarks not matching the IPE goal, we recommend DVR consider asking ACES for repayment;
- Include in their monitoring efforts a review of amendment dates compared to placement benchmark dates;
- Ensure counselors are appropriately trained and instructed to only approve NOAs in which the job goals match the IPE goal at the time of placement. In the event, the amendment occurred after the placement, the counselors should reject the NOA;
- Review RIMS documentation on a periodic basis and ensure the specialists assigned and working on DVR customer cases obtained the proper credentials to provide the services assigned;
- Deny benchmark payments to ACES in cases where uncertified specialists assist DVR SE customers;
- Revise the provider manual to require the providers to submit an employee contact form upon modification of a specialist's status (Ex. Status change from an employment specialist to a supported employment specialist);
- Reject NOAs and invoices for benchmarks met prior to receiving written approval in cases where the customer is hired in a position in which the provider has an ownership interest; and
- Add time frames in which the DVR counselors must approve or deny prior approval requests to the next iteration of the Provider Manual.



We recommended ACES:

- Begin regular contact with the customers within two weeks of referral acceptance in accordance with contract terms and document the contact with the customers in the MPRs. If ACES is unable to contact the customers, they should notify the VRC in writing to document contact attempts;
- Obtain placement for customers that matches the current IPE goal, as developed by the customer and VR Counselor. Should the customer have a desire to revisit and amend an IPE, any amendment should precede actual job placement;
- Provide accurate quarterly staff reports to DVR in accordance with the Provider Manual and ensure all employees obtain SE certification prior to assignment to DVR SE customers; and
- Refrain from placing customers in businesses in which the provider has an ownership interest until after written approval from the VR Counselor and the VR Area Supervisor or VR Counselor Analyst.

Florida Alliance for Assistive Services and Technology, Inc. - The Florida Alliance for Assistive Services and Technology (FAAST) program, is administered through the Florida Department of Education, Division of Vocational Rehabilitation (DVR) and is federally funded by the Rehabilitation Services Administration under the Assistive Technology Act of 1998, as amended in 2004. DVR entered into contracts 18-126 and 18-127 with FAAST for the purpose of coordinating and delivering appropriate, cost effective, state of the art assistive technology services and devices. The purpose of this audit was to ensure FAAST has sufficient internal controls in place to provide assistive technology services and devices in compliance with contract terms and determine whether DVR is effectively monitoring the contract.

During this audit we noted that, in general, FAAST has sufficient internal controls in place to provide assistive technology services and devices, and DVR provided oversight of the contract. However, we noted instances where DVR and FAAST could strengthen their controls. For example, we cited instances where FAAST did not accurately report event data and failed to meet the Device Loans to Consumers deliverable for the two sampled quarters, and DVR did not conduct monitoring in accordance with the monitoring plan.

We recommended FAAST:

- Streamline its data gathering and reporting procedures to ensure accuracy of reported deliverables and maintain adequate documentation to support performance; and
- Provide an explanation and supporting documentation to DVR, if they make adjustments subsequent to an approved invoice.

We recommended DVR:

- Clarify the contract language regarding device loans to consumers and enhance their procedures to ensure FAAST meets all deliverable requirements prior to final payment.

- Conduct monitoring in accordance with the risk assessment and subsequent monitoring plan; and
- Promptly provide the monitoring results and recommendations for improvement to FFAST and ensure corrective action has been initiated on noted deficiencies.

Florida Endowment for Vocational Rehabilitation, Inc., dba The Able Trust - The Able Trust, also known as the Florida Endowment Foundation for Vocational Rehabilitation, is a 501(c)(3) public-private partnership foundation established by the Florida Legislature in 1990. Its mission is to be a key leader in providing Floridians with disabilities opportunities for successful employment. The purpose of this audit was to ensure The Able Trust's administrative costs were kept to the minimum amount necessary for the efficient and effective administration of the foundation and were limited to 15 percent of total estimated expenditures in accordance with section 413.615(9)(j), Florida Statutes. During this audit, we noted that The Able Trust misinterpreted the Florida Statutes and subsequently reported total administrative costs inaccurately. For example, we cited instances where The Able Trust used partial percentages of the officer's salary in their administrative costs calculation and excluded leave time when calculating the percentage of work time associated with administrative tasks.

We recommended The Able Trust:

- Enhance its procedures to ensure accurate calculation of administrative costs and maintain efficient and effective administration of the foundation, pursuant to section 413.615(9)(j), Florida Statutes; and
- Ensure administrative costs are only paid from private sources and up to 75% of interest and earnings on the endowment principal for FY 2018-2019 in accordance with the Florida Statutes.

We recommended DVR:

- Propose to change the statutory language from calendar year to fiscal year and from estimated expenditures to actual expenditures.

Center for Independent Living (CIL) of South Florida - 6 Month Status Report

We followed up on the status of corrective actions required in response to findings and recommendations contained in Report #A-1718-004, CIL of South Florida. DVR and CIL management indicated corrective actions have been initiated for each of the reported deficiencies.

CIL of South Florida - 12 Month Status Report

We followed up on the status of corrective actions required in response to findings and recommendations contained in Report #A-1718-004, CIL of South Florida. DVR and CIL management indicated corrective actions have been initiated for each of the reported deficiencies.

University of South Florida - The Division of Vocational Rehabilitation (DVR) and the University of South Florida (USF) entered into Contract #16-109 for the period of July 1, 2015, through June 30, 2018. USF receives funding from DVR to provide and improve rehabilitation services for DVR customers. The services should provide technological solutions to problems confronted by individuals with disabilities and enable them to achieve employment goals or enhance their independence. The solutions include rehabilitative engineering, assistive technology devices, and assistive technology services.

The purpose of the audit was to assess the adequacy of the department's management of Contract #16-109 and ensure USF adhered to contractual terms. During the audit we found that, in general, USF had sufficient controls in place, and DVR provided oversight of the grants. However, we noted instances where USF and DVR could make improvements to strengthen some of these controls. For example, we cited instances where DVR paid USF for unmet deliverables; DVR did not conduct required monitoring; USF did not submit the quarterly reports timely; and USF did not update the status of each customer in RIMS timely.

We recommended DVR:

- Ensure USF accomplished the deliverables through review of quarterly reports and supporting documentation prior to payment;
- Ensure the percentages reported by USF are accurate;
- Enforce the penalties defined in the contract in the event USF does not achieve a deliverable;
- Conduct desktop monitoring of the contract each year to verify contractor compliance and issue a final report with a corrective action plan, if necessary;
- Conduct a cost benefit analysis on the contract to ensure DVR is obtaining services as efficiently and effectively as possible and to determine if they should rebid the contract in the future; and
- Review the status update requirement and determine whether the DVR counselor or USF staff should be responsible for updating the status of the customer.

We recommended USF:

- Accurately calculate deliverable percentages and ensure all deliverables are achieved in accordance with contract terms;
- Provide written explanations or justifications to the DVR counselors of all customers placed in extended evaluations;
- Submit the vendor service completion date, inspection date, and inspection documents to DVR with the quarterly invoices;
- Submit the quarterly invoices no later than 30 days after the end of each quarter in accordance with contract terms; and
- Update the status of each customer in RIMS within seven business days after the respective action.

University of South Florida - 6 Month Status Report - We followed up on the status of corrective actions required in response to findings and recommendations contained in Report #A-1718-017, University of South Florida (USF). We confirmed that DVR management completed corrective action for each of the reported deficiencies. USF management indicated corrective action has been initiated or completed for each of their reported deficiencies.

Division of Blind Services (DBS) Tracker Application - The Social Security Administration (SSA) administers a Vocational Rehabilitation (VR) reimbursement program to help people with disabilities gain employment. SSA will reimburse state VR agencies for the cost of the services they provide to beneficiaries with disabilities, if they result in the persons obtaining employment meeting or exceeding a specified earnings level. The purpose of this audit was to determine if DBS has sufficient controls in place to identify and submit eligible claims to the Social Security Administration (SSA) for reimbursement utilizing the Tracker application. During the audit, we found that DBS generally had sufficient controls in place. However, we noted instances where improvements could be made to strengthen some of these controls. For example, we cited instances where DBS did not have effective procedures in place to ensure that data from other systems were processed accurately and completely; DBS did not utilize the State Verification and Exchange System (SVES) data when identifying potentially eligible claims for submission to SSA; and DBS did not have an internal testing environment for the Tracker application.

We recommended DBS:

- Implement procedures to verify the applicable records from the Florida Education and Training Placement Information Program and Accessible Web-Based Activity and Reporting Environment systems are completely and accurately transferred to Tracker in a timely manner;
- Request Morrow Consulting, LLC improve the data import log to provide more detailed information, which would allow DBS to track the specific records updated and added to the Tracker application;
- Complete the federal SVES review and approval process and utilize supplemental security income and social security disability insurance information to determine reimbursement eligibility;
- Upon receipt of SVES data, review all cases that were not submitted to SSA from August 1, 2016, through the date of SVES receipt, to ensure all eligible claims not previously identified are submitted to SSA;
- Follow the established approval/change management process for modifications or updates made to the Tracker application; and
- Create an internal testing environment for the Tracker application.



Bureau of Postsecondary Assessment Test Scoring and Reporting - The Bureau of Postsecondary Assessment within the Office of Assessment, Division of Accountability, Research, and Measurement is responsible for all aspects of educator certification examinations, including developing, administering, scoring, and reporting the results for the Florida Teacher Certification Examinations (FTCE) and Florida Educational Leadership Examinations (FELE) in accordance with sections 1012.55 and 1012.56 Florida Statutes (F.S.). The purpose of the FTCE and FELE programs is to provide the state of Florida with an assessment tool that allows prospective educators to demonstrate their knowledge and skills in the areas of general knowledge, professional education competence, and subject area knowledge.

The purpose of this audit was to determine if the Bureau of Postsecondary Assessment has sufficient internal controls in place to monitor test scoring and reporting deliverables in compliance with contract terms. During the audit, we found that the Bureau of Postsecondary Assessment has sufficient controls in place to monitor test scoring and reporting deliverables. We reviewed the procurement process, compliance with contract terms, and information technology security controls. We did not identify any instances of material deficiencies. However, while not rising to the level of a material deficiency, we noted two areas where improvements could be made to strengthen contract compliance and security controls. We cited one instance where deliverable requirements were not met in a timely manner and identified an opportunity to strengthen a security control.

Applications Development - 12 Month Status Report – We followed up on the status of corrective actions required in response to findings and recommendations contained in Report #A-1516-024, Applications Development. Management indicated corrective actions have been initiated or completed for each of the reported deficiencies.

Applications Development - 18 Month Status Report - We followed up on the status of corrective actions required in response to findings and recommendations contained in Report #A-1516-024, Applications Development. Management indicated corrective actions have been initiated for each of the reported deficiencies.

Applications Development - 24 Month Status Report - We followed up on the status of corrective actions required in response to findings and recommendations contained in Report #A-1516-024, Applications Development. We confirmed management completed corrective actions for each of the reported deficiencies.

DBS Social Security Reimbursement Program - 6 Month Status Report - We followed up on the status of corrective actions required in response to findings and recommendations contained in Report #A-1718-009, DBS Social Security Reimbursement. DBS management indicated corrective actions have been initiated for each of the reported deficiencies.

DBS Social Security Reimbursement Program - 12 Month Status Report - We followed up on the status of corrective actions required in response to findings and recommendations

contained in Report #A-1718-009, DBS Social Security Reimbursement. DBS management indicated corrective actions have been initiated for each of the reported deficiencies.

Service Source - 18 Month Status Report

We followed up on the status of corrective actions required in response to findings and recommendations contained in Report #A-1516-025, Service Source. We confirmed DVR and Service Source management completed corrective actions for each of their reported deficiencies.

Red Lion Jobs, Inc.

The Division of Vocational Rehabilitation (DVR) is a federal-state program committed to helping people who have physical or mental disabilities find and maintain meaningful employment and enhance their independence. DVR accomplishes this by providing employment support and job placement assistance to eligible individuals with disabilities. DVR utilizes vendors for people with disabilities who require specific services or equipment to help them prepare for, gain, and retain employment.

DVR and Red Lion Jobs, Inc. entered into an agreement on May 26, 2017, to provide employment services to eligible DVR customers. The purpose of this audit was to determine if Red Lion has sufficient internal controls to provide effective delivery of employment services in compliance with agreement terms and whether DVR is effectively monitoring the agreement. During this audit, we noted that, in general, Red Lion had sufficient controls in place and DVR provided effective oversight of the agreement. However, there were instances where improvements could be made to strengthen some of these controls. For example, we cited instances where DVR did not conduct monitoring in accordance with the monitoring plan; DVR did not effectively monitor personnel credentials; and Red Lion assigned an employment specialist to supported employment consumers prior to receiving the required certification.

We recommended DVR:

- Conduct semi-annual RIMS data analyses and sample case reviews and conduct full monitoring once every 18 months of the Red Lion agreement based on the risk evaluation;
- Promptly provide the monitoring results and recommendations for improvement to Red Lion and ensure corrective action has been initiated on noted deficiencies;
- Upon receipt of the quarterly staff reports, ensure the required credentials are on file prior to approval to provide direct services;
- Review RIMS documentation on a periodic basis and ensure the specialists assigned and working on DVR customer cases obtained the proper credentials to provide the services assigned;
- Deny benchmark payments to Red Lion in cases where uncertified specialists assist DVR supported employment customers; and
- Revise the provider manual to require the providers to submit an employee contact form upon modification of a specialist's status.

We recommended Red Lion:

- Ensure all employees obtain supported employment certification prior to assignment to DVR supported employment customers.

Red Lion Jobs, Inc. - 6 Month Status Report

We followed up on the status of corrective actions required in response to findings and recommendations contained in Report #A-1718-021, Red Lion Jobs, Inc. We confirmed management completed corrective actions for each of the reported deficiencies.

Student Data - 6 Month Status Report – We followed up on the status of corrective actions required in response to findings and recommendations contained in Report #A-1617-028, Student Data. Management indicated corrective action has been initiated or completed for each of their reported deficiencies.

Student Data - 12 Month Status Report – We followed up on the status of corrective actions required in response to findings and recommendations contained in Report #A-1617-028, Student Data. Management indicated corrective action has been initiated or completed for each of their reported deficiencies.

Bureau of Family and Community Outreach (BFCO) Grants Monitoring - 12 Month Status Report – We followed up on the status of corrective actions required in response to findings and recommendations contained in Report #A-1516-011, BFCO Grants Monitoring. BFCO management has indicated corrective action has been initiated or completed for each of their reported deficiencies. The Collier County Boys and Girls Club management completed corrective action for their reported deficiency.

Bureau of Family and Community Outreach Grants Monitoring - 18 Month Status Report – We followed up on the status of corrective actions required in response to findings and recommendations contained in Report #A-1617-011, BFCO Grants Monitoring. We confirmed management completed corrective actions for each of the reported deficiencies.

Florida State Scholarship Programs Administered by the Office of Independent Education and Parental Choice - The mission of the Office of Independent Education and Parental Choice (IEPC) is to support quality public and private educational choice programs by providing information and assistance to promote successful outcomes for students, families, institutions and communities. As part of this, IEPC oversees the implementation and monitoring of state scholarships to include Florida Tax Credit and Gardiner scholarships.

The purpose of this audit was to determine whether IEPC effectively monitors the scholarship programs to reduce the risk of duplicate payments and determine whether appropriate action is taken by Scholarship Funding Organizations (SFOs) upon notification

of students enrolled in public schools while receiving scholarships. During this audit we noted that IEPC is meeting the requirements to conduct cross checks to identify participating scholarship students enrolled in public schools or receiving other educational scholarships to avoid duplication of payment. IEPC also notified the SFOs of the identified students. We additionally noted the SFOs took action upon notification of students enrolled in public schools while receiving scholarships. However, there were instances where IEPC did not effectively identify all Florida Tax Credit (FTC) scholarship recipients in the public school cross checks and private schools received FTC scholarship funds for students attending public schools. We additionally observed that the SFOs do not utilize all available state agency data for eligibility determinations.

We recommended IEPC:

- In consultation with PK-20 Education Reporting and Accessibility, utilize enhanced methodologies to effectively identify students who are receiving scholarship funds while attending public schools;
- Add school enrollment records when conducting the required cross-checks, in addition to the demographic records currently used. This would increase the effectiveness of identifying students receiving scholarships while attending public school and could lead to the identification of private schools who may be fraudulently accepting scholarship funds; and
- We additionally recommended IEPC and the SFOs utilize the Florida Education Identifier upon implementation of the rule. The use of the FLEID will enhance the effectiveness of identifying scholarship students in the public school records. Utilize enhanced methodologies to effectively identify students who are receiving scholarship funds while attending public schools, in consultation with PERA.

Division of Career and Adult Education (DCAE) Grants Administration - 12 Month Status Report - We followed up on the status of corrective actions required in response to findings and recommendations contained in Report #A-1617-025, DCAE Grants Administration. DCAE management has indicated corrective actions have been initiated for each of the reported deficiencies.

State Scholarships - 18 Month Status Report- We followed up on the status of corrective actions required in response to findings and recommendations contained in Report #A-1516-029, State Scholarships. Management has indicated corrective actions have been initiated or completed for each of the reported deficiencies.

DBS District Allocations - 24 Month Status Report - We followed up on the status of corrective actions required in response to findings and recommendations contained in Report #A-1516-020, DBS District Allocations. We confirmed DBS management completed corrective actions for each of the reported deficiencies.

Division of Florida Colleges - Textbook Affordability - The Division of Florida Colleges (DFC) provides access to high-quality, affordable academic and career educational programs that maximize student learning and success, develop a globally competitive

workforce, and respond rapidly to diverse state and community needs. The purpose of this consulting engagement was to assist DFC in providing guidance to the Florida College System (FCS) institutions in order to achieve compliance with the Florida Statutes and Florida Administrative Code regarding textbook affordability. We reviewed applicable laws, rules, and regulations; interviewed appropriate DFC and Board of Governors staff; reviewed Auditor General operational audit reports; and reviewed select operating agreements between FCS institutions and the vendors responsible for posting textbook and instructional materials in place from July 1, 2017, through April 12, 2019. At the conclusion of our review, we provided guidance to DFC for process improvements as presented in the report.

We recommended DFC:

- Continue to require the institutions to report on the general or high enrollment courses that have a wide cost variance in instructional material;
- Define wide cost variance and include the definition in the reporting template used by the institutions, if the Chancellor and State Board of Education do not update the FAC rule to align with the current version of the Florida Statutes;
- Encourage the institutions to include in the operational agreement with their bookstore contractor a requirement to ensure compliance with statute as it relates to timely posting of course materials;
- Update the FAC to specify reasonable exceptions. One such exception could be for course sections added to accommodate student needs after the 45-day deadline, if the instructional materials used have been previously adopted by other sections of the same course or use open-source/no cost materials; and
- Modify their survey instrument to specifically address textbook adoption policies for materials with wide cost variances and high enrollment courses.

Bureau of Federal Educational Programs' Title I, Part A Monitoring Process - The Bureau of Federal Educational Programs (BFEP) provides technical assistance, program support, and monitoring to local educational agencies (LEA) that lead to improved academic achievement outcomes for students who are disadvantaged, migrant, neglected, delinquent, at risk, or homeless or who attend rural and low-income schools. BFEP is responsible for monitoring federally funded programs, including Title I, Part A, to ensure that all the legally prescribed components are in place to increase student achievement. The purpose of this consulting engagement was to assist BFEP in developing processes to effectively monitor the Title I, Part A grants in accordance with laws, rules, and regulations. BFEP is responsible for monitoring federally funded programs, including Title I, Part A, to ensure that all legally prescribed components are in place to increase student achievement. We initiated a consulting engagement to analyze and advise on the controls, policies, and processes in place related to the BFEP Title I, Part A monitoring process. We reviewed risk assessments, monitoring compliance requirements, monitoring timeframes, report routing and dissemination processes, as well as the overall monitoring process for the period of July 1, 2016, through December 31, 2018. At the conclusion of our review, we provided guidance to BFEP for process improvements as presented in the report.

We recommended BFEP:

- Implement consistent risk metrics and risk measurement processes from year to year;
- Ensure consistent designation of monitoring types each year;
- Maintain meeting notes of the program discussions;
- Conduct an analysis of the time necessary to complete the monitoring process, identify other obligations on staff time, and base monitoring efforts on staff availability and the identified timeframes;
- Assign certain staff solely to monitoring duties;
- Develop a consistent timeframe for the risk assessment process and desired completion dates;
- Document the reason for selecting compliance items to review. Additionally, when conducting targeted monitoring, BFEP should document why they selected a particular compliance item for review. If concentration on fiscal components is occurring during the application process, we recommend that BFEP staff, at a minimum, verify the LEAs spent Title I, Part A funds in accordance with the LEA's submitted application;
- Reevaluate their onsite and desktop monitoring activities to provide greater distinction between the two types of monitoring;
- Track communication with the LEAs, utilizing a call log or tracking database, and include sufficient fields to document the topic discussed, the length of call, the BFEP staff providing the technical assistance, and the guidance provided;
- Reinstate the use of weekly monitoring status logs and expand the log to capture the entire monitoring process;
- Utilize a routing form for each report and update the form to capture all the departments and individuals who are responsible for completing reviews; and
- Create an annual monitoring schedule to conduct monitoring activities and identify milestones and completion date goals to fit within the schedule.

REVIEW OF PERFORMANCE MEASURES

Section 20.055, Florida Statutes, requires the Office of Inspector General in each state agency to advise in the development of performance measures, standards, and procedures for the evaluation of state agency programs; to assess the reliability and validity of the information provided by the state agency on performance measures and standards; and make recommendations for improvement, if necessary. Our review of performance measures is incorporated into our assurance activities.

REVIEW OF CORRECTIVE ACTIONS FOR PRIOR YEAR AUDITS

Section 20.055(8)(c), Florida Statutes, requires the identification of each significant recommendation described in previous annual reports on which corrective action has not yet been completed. The following corrective actions were outstanding as of June 30, 2018.

State Scholarships - The purpose of this audit was to ensure that the Office of Student Financial Assistance (OSFA) is effectively administering the centralized scholarships.

Recommendation: We recommended OSFA enhance their policies and procedures to include required timeframes for the remittance of funds for courses dropped by a student or courses from which a student has withdrawn when disbursements are made after the end of the semester. We additionally recommended OSFA utilize its statutory authority to withhold payment if an institution fails to make refunds in a timely manner.

Status: Without legislative allowance, OSFA has instituted the practice of not providing initial term allocations to an institution until any remaining prior term funds have been returned or disbursed to students. OSFA is in the process of updating the State Scholarship & Grant Programs Policy Manual. The drafted changes are currently being routed for review. OSFA has reviewed what changes need to occur in the State Student Financial Aid Database (SSFAD) to best assist institutions in meeting their reconciliation deadlines. These include ensuring that the dates on the Reconciliation Report correctly reflect the most recent transaction for individual students. We will be updating the Last Date Reconciled report on the Payment Summary screen to reflect each time the institution agrees with the payment summary.

Recommendation: We recommended OSFA enhance their policies and procedures to include required timeframes for the remittance of funds for undisbursed advances when disbursements are made after the drop and add period. We additionally recommended OSFA utilize its statutory authority to withhold payment if an institution fails to make refunds in a timely manner.

Status: Without legislative allowance, OSFA has instituted the practice of not providing initial term allocations to an institution until any remaining prior term funds have been returned or disbursed to students. OSFA is in the process of updating the State Scholarship & Grant Programs Policy Manual. The drafted changes are currently being routed for review. OSFA has reviewed what changes need to occur in SSFAD to best assist institutions in meeting their reconciliation deadlines. These include ensuring that the dates on the Reconciliation Report correctly reflect the most recent transaction for individual students. We will be updating the Last Date Reconciled report on the Payment Summary screen to reflect each time the institution agrees with the payment summary

Division of Career and Adult Education (DCAE) Grants Administration - The purpose of this audit was to determine if DCAE has sufficient controls in place to effectively and efficiently monitor the grants administration process.

Recommendation: We recommended that DCAE include performance targets for all primary measures in the Adult Education grants to ensure providers are achieving their performance goals and to address forthcoming WIOA guidelines.

Status: DCAE is currently moving in the direction of implementing Adult Education performance targets for the 2019-2020 year. Implementation of performance targets is contingent upon the release of data from the U.S Department of Education's Office of Career, Technical, and Adult Education. As soon as we receive the data from the federal office, we will be able to complete the requested information in the report.

Student Data - The purpose of this audit was to determine whether Student Data meets standards for data reliability, validity, and security in accordance with state statute and rule.

Recommendation: We recommended the office of PK-12 Education Information and Accountability Services develop and implement user access controls for tracking user activity. These policies should include, but not be limited to, establishing and documenting policies for logging of audit records. The logs should support the unique identification of individuals and permit an audit of the logs to trace activities through the system, including the capability to determine the exact confidential or exempt data accessed, acquired, viewed, or transmitted by the individual.

Status: In regards to the Mainframe Migration, the following activities have occurred:

- K12- Secondary CTE Survey Process - The K12-Secondary CTE System has been migrated off the mainframe as of August 28, 2018. The migration included all CTE mainframe processes, screens, and reports.
- Class Size - The class size system has been migrated off the mainframe as of September 1, 2018. The migration included migrating a web application and DB2 database and several batch processes off the mainframe.
- FTE - DTI is currently in the early stages of gathering requirements and designing mock-ups for the rewrite of the FTE process.
- K12- Staff Survey Processes - DTI is currently in the development stage of migrating the staff survey process off the mainframe. Current tasks include: rewriting of all staff batch processes, reports, and screens into the DQ2 system. Implementation is scheduled for the middle of next year.
- Reference Table Project - DTI is in the process of migrating all reference tables that reside on a DB2 database on the mainframe to our new 2017 SQL server environment.

Recommendation: We recommended the Division of Technology and Innovation (DTI) establish a documented Disaster Recovery Plan to ensure data restoration in a timely manner in the event of a disaster, faulty equipment, etc. These plans should include, but not be limited to, identifying the mission critical IT systems requiring priority DR services, developing a documented and tested DR plan, and identifying recovery steps to perform once customer systems are operational.

Status: FLDOE developed a Disaster Recovery Plan (DRP), which was approved on 7-17-18. NWRDC was identified as the vendor to provide disaster recovery services to FLDOE.

In coordination with NWRDC, Project Charters were developed to cover the development of three areas of the DR plan (Backup as a Service (Baas) including: Replication of Backups, Application Server Replication, and Database Server Replication). Implementation of DR services at NWRDC is underway. Project meetings with NWRDC indicates the project is proceeding. All software and hardware have been ordered and all items have been received. Hardware was relocated to Atlanta in May 2018.

- NWRDC indicates build out of infrastructure based upon DOE approved NWRDC Project Charters was completed in July 2018.
- NWRDC indicates network design is complete.
- Backup as a Service (Baas) including Replication of Backups is completed and tested.
- Application Server Replication is completed and planning for testing is underway.
- Database Replication is in Process. (estimated completion 1/31/19).

Division of Blind Services (DBS) Social Security Reimbursement Program – The purpose of this audit was to determine if DBS has sufficient controls in place to identify and submit eligible claims to the Social Security Administration (SSA) for reimbursement.

Recommendation: We recommended that DBS send all potentially eligible cases to SSA for reimbursement. We recommended sending claims to SSA for all cases in which the client has met SGA and is eligible for SSI or SSDI without a suspension or termination date. We additionally recommend moving cases to the SSRA application after the completion of the individualized plan for employment, rather than after case closure from AWARE, to ensure the system identifies all potential wage earnings for employment gained during the period DBS provided services.

Status: Florida DBS began processing VR Reimbursement Claims via TRACKER as of February 8, 2018, and as of November 20, 2018, sixty-one (61) claims in the amount of \$1,595,306.50 have been processed via TRACKER and approved for reimbursement by SSA. Florida DBS is continuing to learn the complexities of the VR Reimbursement process and the TRACKER application. Our goal is to submit 100% of all eligible reimbursement claims, and we fully expect to reach that goal as our knowledge and processes continue to improve. We recently discovered that TRACKER cannot be configured to create a claim based solely upon the achievement of 9 months of SGA as we previously thought. We have learned that TRACKER will not create a claim if the receipt of SSI/SSDI benefits is not indicated for the client in TRACKER. Since we have not yet been certified to use the SVES data file (which contains SSI/SSDI benefit information), there is a possibility of missing eligible claims if SSI/SSDI benefit information is not accurately recorded in the AWARE Case Management system.

Florida DBS will complete the following actions to ensure that SSI/SSDI information is accurately recorded in TRACKER so that all eligible claims can be accurately identified:

- Instruct all staff to accurately record SSI/SSDI benefit information in AWARE which will then be copied to TRACKER.
- Complete and submit all required paperwork to SSA by January 1, 2019 to initiate the Federal Certification process of the TRACKER application to use the SVES file.
- Schedule a monthly submission of an 'IN-USE' file from TRACKER to the SSA Portal. The 'IN-USE' Response file from SSA must then be imported into TRACKER to flag cases that are currently receiving SSA benefits.
- Run a query to identify all cases that have achieved 9 months SGA within the last two years and submit for reimbursement if no claim has previously been submitted. Continue to run this process each quarter until all actions previously listed have been completed.

Recommendation: We recommended DBS ensure all potentially eligible claims are submitted to SSA for reimbursement in a timely manner. If difficulties in submitting claims occur, DBS should immediately contact SSA, document the communication and resolution, and resubmit the claims.

Status: Florida DBS recognizes the need for an independent process that verifies all potentially eligible claims have been identified by TRACKER in a timely manner. This process should also verify that all identified claims were submitted to SSA in a timely manner. We are in the early stages of gathering requirements for this process.

Recommendation: We recommended DBS enhance its tracking of all outstanding submissions and ensure the SSA system and the internal tracking spreadsheets align. We additionally recommended DBS retain all SSA determination letters and track the status of submissions in the reimbursement program, to ensure all staff are aware of the current claim status and DBS files or resubmits claims in a timely manner.

Status: Florida DBS continues to learn how to utilize the various tracking and status reports available within TRACKER and on the SSA Portal site to more effectively submit reimbursement claims in a timely manner. We also continue to scan to PDF and store all SSA Determination Letters and correspondence which were issued prior to TRACKER.

Center for Independent Living of South Florida - The purpose of this audit was to determine if CILSF's internal controls ensure effective delivery of program services to individuals with disabilities and determine if DVR effectively manages and monitors the contract for compliance.

Recommendation: We recommended that DVR conduct desktop monitoring each year of the contract to verify contractor compliance and issue a final report with a corrective action plan, if necessary. We additionally recommended DVR conduct a cost benefit analysis on the contract to ensure DVR is obtaining services as efficiently and effectively as possible and to determine if they should rebid the contract in the future.

Status: DVR will conduct desktop monitoring at the end of each contract year, which concludes June 30. An RFI is on the Division's task priority list for 2019.

AUDIT RESPONSE COORDINATION AND FOLLOW-UP

The OIG provides a single point of contact, for external agencies auditing the department. This is done to ensure effective coordination and cooperation between the Office of the Auditor General, federal auditors, and other governmental bodies and to minimize duplication of effort. We coordinate information requests and responses and assist in scheduling meetings for these entities. We provide coordination of the required responses to preliminary and tentative findings issued by the Office of the Auditor General, OPPAGA, U.S. Department of Education, and other oversight agencies. We also coordinate the six-month response on the status of corrective actions taken by the department on any audit findings and recommendations issued by the Office of the Auditor General or OPPAGA. During the 2018-2019 fiscal year, we coordinated the following external projects and follow-ups:



Office of the Auditor General

REPORT NUMBER	REPORT TITLE
2018-083	SIX MONTH STATUS: SELECTED ADMINISTRATIVE ACTIVITIES AND INFORMATION TECHNOLOGY CONTROLS
2018-196	SIX MONTH STATUS: FEDERAL FAMILY EDUCATION LOAN PROGRAM (FFELP) SYSTEM
2018-189	SIX MONTH STATUS: COMPLIANCE AND INTERNAL CONTROLS OVER FINANCIAL REPORTING AND FEDERAL AWARDS
2019-186	COMPLIANCE AND INTERNAL CONTROLS OVER FINANCIAL REPORTING AND FEDERAL AWARDS

RISK ASSESSMENT AND AUDIT PLAN

Section 20.055, Florida Statutes, requires the inspector general to develop long-term and annual audit plans based on periodic risk assessments of the department. This helps ensure the OIG is responsive to management concerns and that those activities judged to have the greatest risks are identified and scheduled for review.

The risk assessment included identifying programs and activities administered by the department and evaluating each activity based on indicators of risk exposure, or risk factors. The programs and activities were determined through discussions with responsible management personnel and review of organization charts and the department's strategic plan. Senior management then rated the vulnerability of the identified programs and activities by assigning scores for each activity on seven risk factors: financial impact, public relations impact, control environment, changes in operations/systems, management interest, audit coverage, and sensitive data.



Using the results from these efforts and our professional judgment, we developed the audit plan for the 2019-20 fiscal year. The audit plan provides the most effective coverage of the department's programs and processes while optimizing the use of internal audit resources. During the 2019-20 fiscal year, audit resources will be allocated to the following engagements:

2019-20 Audit Plan

DIVISION	PROJECT
PUBLIC SCHOOLS	21 ST CENTURY COMMUNITY LEARNING CENTER - CARRYOVER
PUBLIC SCHOOLS	FEDERAL EDUCATION PROGRAMS - GRANTS APPLICATIONS - CARRYOVER
PUBLIC SCHOOLS	TITLE II, PART A MONITORING - CARRYOVER
INFORMATION AND TECHNOLOGY	CSIRT - CARRYOVER
VOCATIONAL REHABILITATION	ADULTS WITH DISABILITIES - CARRYOVER
VOCATIONAL REHABILITATION	CENTER FOR INDEPENDENT LIVING - CARRYOVER
ACCOUNTABILITY, RESEARCH, AND MEASUREMENT	REPORTING : SECLUSION AND RESTRAINT
PUBLIC SCHOOLS	EDUCATOR CERTIFICATION
OFFICE OF SAFE SCHOOLS	SCHOOL SAFETY
FINANCE AND OPERATIONS	OSFA MEMORANDUM OF UNDERSTANDING WITH THE DEPARTMENT OF HIGHWAY SAFETY AND MOTOR VEHICLE
FINANCE AND OPERATIONS	PAYROLL
PUBLIC SCHOOLS	CERTIFICATE DATABASE
TECHNOLOGY AND INNOVATION	CONTRACTS
VOCATIONAL REHABILITATION	FEE FOR SERVICE PROVIDER
VOCATIONAL REHABILITATION	TRANSITIONAL PROGRAMS
VOCATIONAL REHABILITATION	ADULTS WITH DISABILITIES
VOCATIONAL REHABILITATION	FORMAL CONTRACT

INVESTIGATIONS

Section 20.055(7), Florida Statutes, requires each Office of Inspector General to initiate, conduct, supervise, and coordinate investigations designed to deter, detect, prevent, and eradicate fraud, waste, abuse or employee misconduct impacting the department. Additionally, in accordance with section 1001.20, Florida Statutes, the OIG will conduct or coordinate investigations into substantiated allegations that a district school board or college board of trustees is unwilling or unable to address relating to waste, fraud, or financial mismanagement, as determined by the Commissioner of Education.

The investigations section receives inquiries or complaints regarding departmental activity from many sources, including: the Whistle-blower's Hotline, the Florida Department of Financial Services' Get Lean Hotline, the Chief Inspector General's Office, the on-line complaint form on the OIG's website, letters, telephone calls, e-mails, and the Executive Office of the Governor.

If suspicion of potential criminal activity is discovered, it is referred to the appropriate law enforcement agency, as required by statute. The OIG coordinates with law enforcement on any criminal investigation, while ensuring that issues of an internal nature are addressed administratively.

Investigations staff monitor and track all cases to ensure:

- All case findings are reported to the Commissioner and appropriate managers.
- The OIG provides the necessary facts to the department's Office of Labor Relations, the Office of the General Counsel, and department managers to assist them in taking the appropriate actions.
- Cases involving criminal activity are referred to the appropriate law enforcement agency, in accordance with Florida Statutes.

Investigations are conducted in accordance with qualitative and quantitative standards as set forth in the *Association of Inspectors General Principles and Standards for Offices of Inspector General* and the *Commission for Florida Law Enforcement Accreditation*.

During the 2018-19 fiscal year, the OIG received 455 complaints from the public and other entities, referred 88 complaints to management, initiated six investigations, completed four investigations, coordinated or requested investigations for 51 complaints, and made six referrals to criminal agencies. The OIG processed 545 applicants' background checks, conducted 20 background check reviews, and completed 28 public record requests and redactions.

ADDITIONAL INVESTIGATIVE AUTHORITY

A part of Florida's school choice programs, the McKay Scholarships for Students with Disabilities Program provides Florida students with special needs the opportunity to attend a participating private school. Another program, the Florida Tax Credit Scholarship Program, encourages private, voluntary contributions to expand educational opportunities for children of families that have limited financial resources. In accordance with section 1002.39(6)(c) and 1002.395(9)(f), Florida Statutes, individuals may notify the department of any violation by a parent, private school, or school district of state laws relating to program participation. The department shall conduct an inquiry of any violation or make a referral to the appropriate agency for an investigation. Rules 6A-6.0960 and 6A-6.0970, Florida Administrative Code, provide that the department may, at any point, refer an inquiry to the department's Office of Inspector General or another appropriate agency for full investigation.

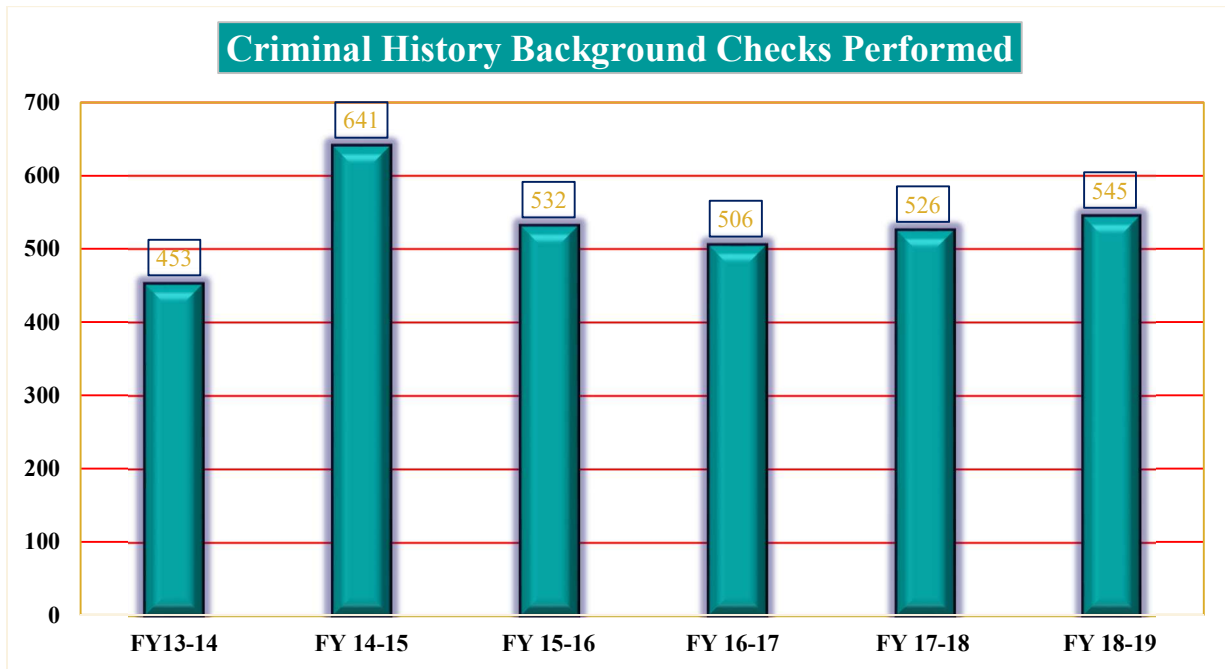
ACCREDITATION

An accreditation program has long been recognized as a means of maintaining and verifying the highest standards. Accreditation is the certification by an independent reviewing authority that an entity has met specific requirements and prescribed standards. In 2009, the Commission for Florida Law Enforcement Accreditation (CFA) expanded its program to include inspectors general offices. In February 2014, the full CFA voted unanimously to award the certificate of accreditation to the FLDOE Office of Inspector General (OIG). In February 2017, the full CFA voted unanimously to award the certificate of re-accreditation to the FLDOE OIG. On November 6, 2019, state assessors will again complete the required re-accreditation review to determine if the OIG is compliant with all CFA standards. In February 2020, the OIG is scheduled to be reviewed and assessed for our second re-accreditation by the full CFA. Once approved, the re-accreditation will remain in effect for three years.



CRIMINAL HISTORY CHECK PROGRAM

In accordance with section 435, Florida Statutes, all employees, volunteers, and applicants must undergo a level 2 screening as a condition of employment. The Office of Inspector General is responsible for processing the results of the level II screenings for each applicant. During the 2018-2019 fiscal year, the OIG analyst conducted 545 applicant background checks and conducted 20 background check reviews. The chart below depicts the number of background checks performed for each fiscal year from 2013-2019.



COMPLETED INVESTIGATIONS

During the prior fiscal year, the OIG investigated allegations of misappropriation of funds, fraud, and other employee misconduct. A synopsis of those investigations is provided below.

- The OIG received allegations that the Florida Independent Living Council (FILC) Executive Director misappropriated donated hurricane relief funds. Specifically, the Executive Director allegedly allocated funds to a FILC board member and Executive Director of disAbility Solutions for Independent Living (DSIL), and Push to Open Inc., a non-profit organization owned by another FILC board member. The OIG investigation revealed that the FILC Executive Director allocated over \$14,500 of donated hurricane relief funds to two FILC board members. One FILC board member received \$10,000 of the donated hurricane relief funds from the FILC Executive Director to use for his salary at Push to Open, Inc., his nonprofit organization. Based upon witness testimony and documentation the OIG's investigation found the allegations were substantiated. The

OIG recommended that FILC consider revising Section 1 of their fiscal policies to provide additional detail for properly receiving and dispersing donations; ensure that all grants, gifts, and contributions are properly received and recorded; and revise Section five of the FILC fiscal policy regarding dual signatures. Additionally, the OIG recommended FILC provide training to staff and board members regarding the importance of adhering to guidelines set forth in the DVR Agreement and Code of Ethics for Public Officers and Employees, and provide training to all FILC staff and board members regarding FILC's policies concerning conflicts of interest. The OIG recommended the FILC avoid doing business with staff or board members that would create a conflict of interest. Lastly, it was recommended that DVR provide technical assistance to FILC to determine if accepting donations for disaster relief is in line with the organization's mission.

- The OIG received allegations that a Division of Blind Services (DBS), Rehabilitation Specialist was sending confidential client information to their personal email account. The OIG reviewed the DBS employee's email and substantiated the allegations. The employee violated FLDOE policy, DBS policy, and Florida Statutes. The investigation further revealed that the employee accessed their DBS email from an Android mobile device and forwarded six emails from their DBS email account to their personal email account after the employee was dismissed from their position. All six emails contained DBS confidential client information that was emailed unencrypted. The OIG investigation determined the DBS employee exploited a gap in the timing of their email access revocation. Though the employee was monitored while being escorted out of the building and could not access any confidential information from their work station, the employee used a cellphone to access their DBS email account via Outlook Web Access (OWA). There was no security violation identified because they were still employed through the close of business that day. DBS staff correctly submitted the request to deactivate the terminated employee's access to electronic records but did not do so until after the employee was escorted out of the building. The case was presented to the Duval County Office of the State Attorney (SAO) for the Fourth Judicial Circuit, in accordance with Section 20.055(7)(c) Florida Statutes, for possible criminal violations. The SAO declined to pursue criminal charges. The OIG recommended FLDOE establish a procedure to terminate employee access to all electronic accounts and databases prior to notifying the employee of their dismissal. The OIG further recommended that DBS develop annual training to educate staff on the importance of client confidentiality and adhering to Chapter 413.012(1) F.S., which states, "All records furnished to the Division of Blind Services in connection with state or local vocational rehabilitation programs and containing information as to personal facts about applicants or clients given or made available to the state or local vocational rehabilitation agency or its representatives or employees in the course of the administration of the program, including lists of names and addresses and records of evaluations of clients, are confidential and exempt from the provisions of s.119.07(1)."

- The OIG received a complaint and request for assistance from a district Superintendent alleging a possible breach of student data, computer hacking, extortion, and threats. The district Superintendent alleged a breach of the Family Educational Rights and Privacy Act (20 U.S.C. § 1232g; 34 CFR Part 99), by a district teacher who gave a district issued laptop to their spouse (an FLDOE contractor), to recover lost files. The OIG viewed Facebook posts and comments from the FLDOE contractor detailing how they accessed the laptop and recovered files. A district review of the laptop revealed it contained 52 student Individual Education Plans and 12 unencrypted student psychological evaluations. The OIG found Insufficient Evidence to Substantiate the allegation that an FLDOE contractor and an FLDOE employee misused a department computer, software, or resources in order to access a school district laptop. Based on testimony and evidence reviewed during this investigation, the OIG Substantiated the allegation that an FLDOE contractor and an FLDOE employee accessed the laptop without authorization and recovered files on the school district issued laptop. Based on testimony, evidence, and documents reviewed during this investigation, the OIG determined the allegation that the FLDOE contractor displayed conduct unbecoming of a public employee was Substantiated after the OIG verified the FLDOE contractor engaged in unprofessional and threatening behavior. The OIG recommended FLDOE management review the report, take any action deemed appropriate against the FLDOE contractor and FLDOE employee, and include a copy of the investigative report in their personnel files.
- The OIG received a complaint that Putnam County School District (PCSD) Superintendent and Putnam County School Board (PCSB) members improperly donated a district facility to Lift Putnam, Inc., a local non-profit education foundation. The complainant alleged that the district donated the facility to prevent proceeds of the sale of the facility from going into the school district's capital outlay fund. Pursuant to F.S. 1001.20, Commissioner of Education Pam Stewart directed the OIG to investigate. Based upon testimony obtained and documents reviewed during this investigation, the OIG substantiated the allegation that PCSD Superintendent and PCSB members circumvented state requirements by donating a district facility to avoid proceeds of any sale of the facility being credited to the school district's capital outlay fund source. The OIG recommended that the PCSD consider creating policy and procedures specifically for the disposal of real property. Additionally, the OIG recommended PCSD Continue to take under advisement the recommendations reported by the Florida Auditor General in report No. 2018-149, relating to the transfer of a district facility and the use of district resources by a non-direct support organization. Lastly, the OIG recommended the PCSD deposit any funds related to the sale of the district facility through Lift Putnam, Inc., into the PCSD capital outlay fund as required by the State Requirements for Educational Facilities.

OTHER INVESTIGATIVE ACTIVITIES

The Office of Independent Education and Parental Choice forwarded information to the OIG that Urban Academy Tutors (Urban Academy) may have fraudulently obtained Gardiner Scholarship funds administered by the not for profit scholarship funding organization, Step Up for Students (SUFS) for students not entitled to the scholarship. The OIG's review discovered that Urban Academy submitted scholarship applications on behalf of students that contained fraudulent, falsified documentation stating that the students had a disability. As required by Section 20.055 Florida Statutes, the OIG referred this matter to the Florida Department of Law Enforcement (FDLE) for consideration of a criminal investigation. FDLE accepted the case and their investigation determined the owner of Urban Academy fraudulently obtained over \$400,000 in Gardiner/SUFS funds. FDLE issued an arrest warrant for the owner of Urban Academy on charges of Grand Theft and Organized Scheme to Defraud and is currently awaiting adjudication.

WHISTLE-BLOWER DETERMINATIONS

The investigations section completed two whistle-blower determinations during Fiscal Year 2018-2019. After assessing the complaints, the OIG determined that the allegations did not demonstrate reasonable cause to suspect that the department or independent contractor violated any federal, state, or local law, rule, or regulation. The complaints were referred to the necessary entity for action deemed appropriate and did not lead to an OIG Investigation.

OTHER OIG ACTIVITIES

On May 8, 2008, the Department initiated Policy Code Number 18, Employment Screening; requiring that all employees, applicants, contractors, and volunteers undergo a level 2 criminal background check as a condition of employment. At that time, the OIG assisted department management in the development and administration of this new policy and established detailed procedures to implement the policy. As part of the background screening program within the OIG, the investigations team was required to complete and maintain the Federal Bureau of Investigation (FBI) Criminal Justice Information Services Security (CJIS) training. The background review process requires the OIG to contact state and local law enforcement agencies throughout Florida and the United States, to obtain, verify, and disseminate documented criminal history information for applicants and department volunteers. The screening process requires all applicants to disclose any disqualifying offences of first-degree misdemeanors or felonies, as required on their state of Florida application and Affidavit of Good Moral Character. The OIG reviews, validates, and compares any criminal histories against the applicant's submitted information. If the information is found to be in conflict with the application and/or notarized Affidavit of Good Moral Character, an investigative review of the criminal history data and applicant data will be completed by the OIG and provided to personnel for review prior to making a hiring decision. Since the programs' inception, the OIG has completed a total of 7,304

background checks and produced 297 investigative reviews on applicants whose criminal records indicated they failed to disclose the required criminal information. In the last ten years, this program has averaged 493 background screenings per fiscal year and continues to be a valuable tool in providing management with detailed information on each applicant or volunteer during the hiring process.



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