



Department of Education Office of Inspector General

ANNUAL REPORT

Fiscal Year 2020-2021



FLORIDA DEPARTMENT OF EDUCATION
OFFICE OF INSPECTOR GENERAL

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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 the proficiency of all students within one seamless, efficient system by providing them with the opportunity to expand their knowledge and skills through learning opportunities and research valued by students, parents, and communities, and to maintain 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 (OIG) 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.

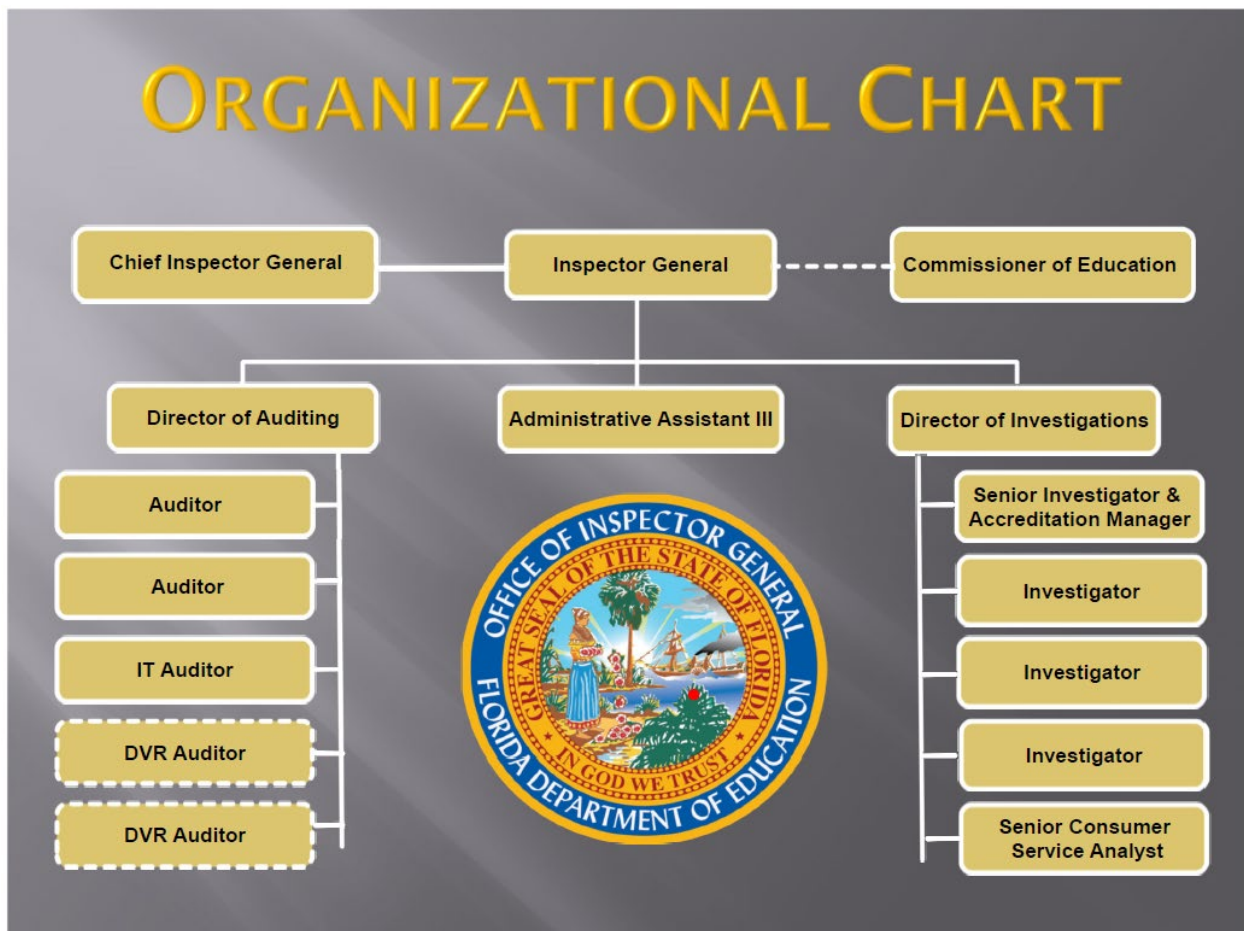
This annual report is presented to the commissioner and chief inspector general to comply with statutory requirements and to provide departmental staff and interested parties with information on the OIG's progress in accomplishing its mission. The OIG's responsibilities include:

- Conducting audits, investigations, and management reviews relating to the programs and operations of the department, including employment screening and background reviews;
- 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 or the Office of Program Policy Analysis and Government Accountability (OPPAGA); 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 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

The 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, 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)
- Certified Fraud Examiner (CFE)
- 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



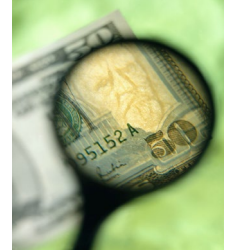
MAJOR ACTIVITIES AND FUNCTIONS

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 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, the Office of Program Policy Analysis and Government Accountability (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, or OPPAGA.
- 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 twenty-five engagements during the 2020-2021 fiscal year, which can be viewed online at <https://www.fl DOE.org/about-us/office-of-the-inspector-general/audit-reporting-products.shtml>. The results of those engagements are summarized below:

Payroll Process - We conducted an audit of the department's internal controls over the payroll process. The purpose of this audit was to determine if the department has effective internal controls over the payroll process, maintains appropriate separation of duties related to the payroll process, and securely maintains access to personally identifiable information related to the payroll process to protect against unauthorized access. During this audit, we determined that the department generally had sufficient internal controls in place over the payroll process and the security of personally identifiable information related to the payroll process. We identified one instance where improvements could be made to strengthen the security of personally identifiable information. We cited instances where Bureau of Personnel Management did not follow the guidelines set by the Department of Management in regards to the storage of Social Security Numbers.

We recommended the Bureau of Personnel Management:

- Remove all copies of social security cards from the department's primary personnel files and store them in a separate confidential file, such as the I-9 file; and
- Provide guidance to personnel liaisons instructing them that social security cards should not be stored in individual personnel files and ensure copies of the social security cards are removed.

Center for Independent Living of South Florida – 24 Month Status Report -

In accordance with the Department of Education's fiscal year 2017-18 audit plan, the Office of Inspector General conducted an audit of Contract #14-129 between the Division of Vocational Rehabilitation (DVR) and the Center for Independent Living of South Florida. Our office has followed up on the progress of corrective action for this report for 24 months following its issuance. At this time, the Center for Independent Living of South Florida has one remaining deficiency identified in the original report, which has not been resolved through corrective action. DVR management has signed the acceptance of risk memo and acknowledged the risks associated with the identified deficiency and their understanding that the responsibility for ensuring corrective action related to the above mentioned report now lies with DVR.

21st Century Community Learning Center Grants – 12 Month Status Report -

We followed up on the status of corrective actions required in response to findings and recommendations contained in Report #A-11819-015, 21st Century Community Learning Center Grants. The Bureau of Family and Community Outreach management and Kid's Hope Alliance management indicated corrective action has been initiated or completed for each of their reported deficiencies.

Interpreter Services 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-1920DOE-007, Interpreter Services Program. DVR management has indicated corrective action has been completed for each of their reported deficiencies.

Miami-Dade County School District – Adults With Disabilities – 12 Month Status Report -

We followed up on the status of corrective actions required in response to findings and recommendations contained in Report #A-1819-022, Miami-Dade County School District – Adults with Disabilities. DVR management indicated corrective action has been initiated for each of their reported deficiencies. Miami-Dade County School District – Adults with Disabilities completed corrective action for each of their reported deficiencies.

Suncoast Center for Independent Living – 12 Month Status Report -

We followed up on the status of corrective actions required in response to findings and recommendations contained in Report #A-1819-027, Suncoast Center for Independent Living (CIL). DVR and Suncoast CIL management indicated corrective action has been initiated for each of their reported deficiencies.

Center for Independent Living in Central Florida, Inc. - We conducted an audit of Contract #19-103 between the Division of Vocational Rehabilitation (DVR) and the Center for Independent Living in Central Florida (CIL). The purpose of this audit was to determine if the CIL'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. During this audit, we noted that the CIL's internal controls could be improved, and DVR could strengthen oversight of the contract. We noted instances where the CIL did not maintain sufficient documentation to demonstrate appropriate allocation of Contract #19-103 funds; consumer service records (CSR) did not include all required elements and documentation could be strengthened; and DVR did not provide effective monitoring in accordance with the monitoring agreement.

We recommended DVR:

- Conduct monitoring in accordance with the risk assessment and monitoring plan;
- Promptly provide any monitoring results and recommendations for improvement to the CIL and ensure corrective action has been initiated on noted deficiencies;
- Include a review of expenditures incurred and the supporting documentation as part of their monitoring efforts to ensure expenditures are supported, allowable, allocable, reasonable, and necessary to the performance of the contract; and
- Include a review of CSRs in its monitoring activities and ensure consumers have been deemed eligible for services in accordance with the federal regulations.

We recommended CIL:

- Notate the funding allocations on the individual invoices or expense categories to support expenditures incurred;

- Enhance its procedures to ensure expenses funded through DVR’s contract are allowable and appropriately reflected by funding source;
- Improve disability verification practices and documentation by including an eligibility determination statement in the CSR; and
- Establish Independent Living plans with consumers prior to rendering services.

University of South Florida – 24 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. DVR management completed corrective action for each of their reported deficiencies.

Nassau County School Board - Work-Based Learning Experiences – 6 Month Status Report - We followed up on the status of corrective actions required in response to findings and recommendations contained in Report #A-1920-008, Nassau County School Board - Work-Based Learning Experiences. DVR and Nassau County School Board management completed corrective action for each of their reported deficiencies.

Florida Alliance for Assistive Services and Technology, Inc. (FAAST) – 18 Month Status Report - We followed up on the status of corrective actions required in response to findings and recommendations contained in Report #A-1819DOE-007, Florida Alliance for Assistive Services and Technology, Inc. (FAAST). DVR management has indicated corrective action has been initiated or completed for each of their reported deficiencies. FAAST management has completed corrective action for each of their reported deficiencies.

Alliance Community & Employment Services – 18 Month Status Report - We followed up on the status of corrective actions required in response to findings and recommendations contained in Report #A-1819-006, Alliance Community & Employment Services (ACES). ACES management has indicated corrective action has been initiated for their remaining deficiency.

Florida Endowment for Vocational Rehabilitation, Inc., dba The Able Trust – 18 Month Status Report - We followed up on the status of corrective actions required in response to findings and recommendations contained in Report #A-1819-021, Florida Endowment for Vocational Rehabilitation, Inc., dba The Able Trust. DVR and Able Trust management have completed corrective action for each of their reported deficiencies.

Payroll Process – 6 Month Status Report - We followed up on the status of corrective actions required in response to findings and recommendations contained in Report #A-1920-006, Payroll Process. Management has completed corrective action for their reported deficiency.

Jackson County School Board Adults with Disabilities Program - We conducted an audit of the 2019-20 grant agreement between the Division of Vocational Rehabilitation (DVR) and the Jackson County School District Adults with Disabilities (JCSA AWD) program. The purpose of this audit was to determine whether JCSA has sufficient internal

controls to provide services to adults with disabilities in compliance with grant terms and whether DVR is effectively monitoring the grant. During this audit, we noted that JCSD met DVR's grant expectations and met the required annual deliverables. In addition, we noted the sampled Adult Individual Education Plans (AIEPs) met the grant requirements, included detailed and measurable deliverables for achievement of the educational and functional goals, and were well documented. However, we did note instances where improvements could be made to strengthen internal controls for both DVR and JCSD. For example, we cited instances where DVR did not conduct effective monitoring of the grant; grant language was unclear and inconsistent; JCSD did not meet all quarterly grant deliverables; and a lack of communication and sense of urgency related to this grant led to delayed execution of the grant, inconsistent submission and review of quarterly reports, and insufficient opportunities for program improvement throughout the grant period.

We recommended DVR:

- Complete monitoring plans in accordance with the risk assessment and reflect sufficient activities to monitor high risk providers;
- Conduct monitoring in accordance with the risk assessment and monitoring plan;
- Promptly provide any monitoring results and recommendations for improvement to JCSD;
- Ensure corrective action plans have been created and initiated on noted program deficiencies;
- Include a review of expenditures incurred and the supporting documentation as part of their monitoring efforts to ensure expenditures are supported, allowable, allocable, and necessary to the performance of the grant;
- Review the grant language and ensure the deliverable requirements are consistent throughout the grant;
- Determine the intent of the grant and desired deliverables and modify the grant language accordingly to clarify the requirements for quarterly and cumulative benchmark attainment;
- If the grant language remains unchanged, ensure deliverables are met on a quarterly basis through review of AIEPs, short term objectives, and other documentation that support benchmark progress and achievement;
- If quarterly deliverables are not met, require JCSD to complete a corrective action plan;
- Execute the AWD grants in a timely manner;
- Establish a consistent method of submittal and document receipt of the required quarterly documents, either by requiring JCSD to upload documents to a secure online portal or mail the documents as a hard copy;
- Should hardcopy be the preferred method of delivery, use a tracking system to verify when DVR receives the documents; and
- Establish a plan to address staff turnover during a grant term to ensure they continue to receive documents timely, review submittals in a timely manner, and verify achievement of deliverables.

We recommended JCSD:

- Ensure that all expenditures align with the approved original budget narrative form;
- Ensure the DOE forms and 301 forms submitted to DVR are accurate, supported, and align with the final 399 form;
- Submit corrective action plans in the event quarterly deliverables are not met;
- Include a summary of the number of participants who have achieved benchmarks 1 and 2 in the quarterly document submittal;
- Ensure that documentation submitted to DVR is complete, accurate, and supports the achievement of quarterly deliverables; and
- In the event documents are mailed, retain documentation to demonstrate the date the items were mailed and ensure delivery of the documents to DVR.

Independent Living Older Blind Program - We conducted an audit of the Division of Blind Services (DBS) Independent Living Older Blind (OB) Program. The purpose of this audit was to determine whether DBS effectively manages and monitors the Independent Living Older Blind Program and whether the Community Rehabilitation Providers (CRP) are delivering services in accordance with contractual terms. During this audit we noted that, in general, the CRPs met the contractual requirements for initial intake, assessment, and timely rendering of services for older blind clients; and DBS effectively monitored the CRPs to ensure they met contractual standards and service delivery requirements. However, there were instances where improvements could be made to strengthen some of these controls. For example, we cited instances where Comprehensive Functional Assessments (CFAs) occurred after the client's individualized plan was developed and signed. We additionally determined DBS could enhance the CRP Risk Assessment and subsequent monitoring.

We recommended DBS:

- Clarify requirements for the recording of CFAs through its program manual and its contracts to better direct CRP case managers completing the CFAs;
- Monitor the CRPs to ensure the needs assessments are completed prior to the plans;
- Consider conducting training and technical assistance following these adjustments to ensure services rendered to older blind clients are offered through consistent application of assessment tools;
- In future monitoring, finalize the monitoring reports and provide the reports and results to the CRPs;
- Modify the risk assessment to include a numerical score for previous monitoring;
- Clearly define the type of monitoring that should be conducted based on the risk category; and
- Consider developing a monitoring tracking system that displays the timing of its monitoring process to include scheduled visits, summarized results of visits, findings identified, and the dates corrective actions were implemented and completed.

21st Century Community Learning Center Grants– 18 Month Status Report -

We followed up on the status of corrective actions required in response to findings and recommendations contained in Report #A-1819-015, 21st Century Community Learning Center Grants. The Bureau of Family and Community Outreach management has completed corrective action for each of their reported deficiencies.

Consulting Services by Tami Sparks, Inc. - We conducted an audit of the employment services agreement between the Division of Vocational Rehabilitation (DVR) and Consulting Services by Tami Sparks, Inc. The purpose of this audit was to determine if Consulting Services by Tami Sparks, Inc., 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, in general, Consulting Services by Tami Sparks, Inc., provided services in accordance with the Employment Services Provider Manual and had sufficient controls in place. We determined DVR provided effective oversight of the agreement, as demonstrated by well-documented monitoring efforts. We additionally determined DVR appropriately made benchmark payments upon confirmation of achieved benchmarks. However, there were instances where improvements could be made to strengthen controls. For example, we cited instances where Consulting Services by Tami Sparks, Inc., did not submit quarterly staff reports in accordance with the provider manual.

We recommended:

- DVR ensure all required reports are submitted within the timeframe required by the manual.

We recommended:

- Consulting Services by Tami Sparks, Inc. report quarterly staff reports timely to DVR, as defined in the Provider Manual. Should there be no event changes from a previous reporting quarter, a current report should still be submitted for the next defined reporting quarter.

Bureau of Educator Certification – Versa Certification Process - We conducted audits of the Bureau of Educator Certification’s (BEC) Educator Certification Process and the associated Versa system. The audits were combined into one report for streamlining and clarity purposes. The purpose of these audits was to determine whether BEC has appropriate internal controls over the educator certification process; ensures compliance with state regulations and department policies and procedures; and has effective information technology controls in place. During this audit we noted that, in general, BEC operated in compliance with the change management procedures documented in the Versa Technical Operational Manual. We determined BEC operated in compliance with the Information Technology Systems Disaster Recovery Plan and is appropriately backing up the Versa data. We determined the teacher certification applications flowed through the Versa system as designed, and batch processes ran in accordance with the manual. For the sample of applicants reviewed, we determined, for those applicants that received a certification, all requirements were met in accordance with the laws, rules, and regulations. We further confirmed that those applicants that did not receive certifications were missing

required elements needed for certification. We additionally determined there is an appropriate separation of duties and controls in place to ensure mailed payments are processed securely. We also identified instances where improvements could be made to strengthen some controls associated with the certification process. For example, we cited that current queries and calculations return inconsistent data and reports; the Versa Analytics function is not operational; the Versa system lacks certain needed functionality; BEC did not process all applications within statutory timeframes; and security controls related to user access need improvement. We additionally provided recommendations to the Communication Sections to enhance their processes and monitoring.

We recommended BEC:

- Determine the required calculations and subsequent queries based on the needs of the program office, validate the calculations, and maintain documentation of the calculations and queries for future use;
- Cross-train team members on the Versa system and the certification process in the event a team member departs from the agency and is no longer available to perform the needed functions;
- Partner with DTI to develop custom reports based on select original Logi reports, which then could be provided routinely to BEC to assist them in tracking production on a daily, weekly, monthly, and quarterly basis;
- Engage in discussions with the Versa vendor regarding the inability to use the Versa Analytics tool purchased as part of the contract;
- Conduct a cost analysis for enhancing the Versa system in order to make key dates visible to users;
- Consider continuation of the previous request for quote to procure the services of an Information Technology professional to assess the Versa system and BEC business processes and produce a gap analysis to identify areas where system enhancements could better support the business processes and ensure competent, reliable data and reports;
- Ensure all applications are processed in the time frame allotted by the Florida Statutes and decrease the time between the date the applications are eligible for evaluation and the date assigned to a specialist;
- Conduct a cost analysis for enhancing the Versa system in order to assign applications more efficiently and timely;
- Cross-train team members on the certification process in the event additional staff is needed to process applications timely when application numbers surge;
- Consider moving District Issue Requests without associated background screening results to the release queue until the background screening results are appropriately provided and the application can be processed; and
- Improve security controls related to user access to ensure the continued protection of confidential data.

Suncoast Center for Independent Living – 18 Month Status Report - We followed up on the status of corrective actions required in response to findings and recommendations contained in Report #A-1819-027, Suncoast Center for Independent Living (CIL). DVR and Suncoast CIL management indicated corrective action has been initiated for each of their reported deficiencies.

Center for Independent Living in Central Florida – 6 Month Status Report - We followed up on the status of corrective actions required in response to findings and recommendations contained in audit report #A-1920-021, Center for Independent Living (CIL) in Central Florida. DVR management indicated corrective action has been initiated for each of their reported deficiencies. CIL management indicated corrective action has been completed for each of their reported deficiencies.

Miami-Dade County School District – Adults with Disabilities – 18 Month Status Report - We followed up on the status of corrective actions required in response to findings and recommendations contained in Report #A-1819-022, Miami-Dade County School District – Adults with Disabilities. DVR management completed corrective action for each of their reported deficiencies.

Alliance Community & Employment Services – 24 Month Status Report - We followed up on the status of corrective actions required in response to findings and recommendations contained in Report #A-1819-006, Alliance Community & Employment Services (ACES). ACES management completed corrective action for their remaining deficiency.

Technology Contracts - We conducted a consulting engagement of the DOE technology contracts or agreements. The purpose of this engagement was to determine whether technology contracts conform to enterprise standards, applicable frameworks, and legal and regulatory requirements and effectively manage risk related to the provision of Information Technology (IT) services. During this engagement, we noted that, in general, the department's technology contracts appropriately addressed security and risk management requirements. We reviewed information security language including the confidentiality of data, breaches, change control, and background screenings. We additionally reviewed the contract templates and selected IT contracts and agreements to determine whether they included the appropriate risk management requirements, language regarding the management and ownership of data, and language detailing what occurs when service is not fully rendered. Upon review of the contract templates and sampled IT contracts and agreements, we identified areas of improvement in the areas of background screenings, retrieval of data, and destruction of data. We additionally provided recommendations to the Division of Technology and Innovation and the Office of Contracts and Procurements.

We recommended the department:

- Add a section to the contract template and applicable procurement instrument that specifically states background checks should occur prior to the contractors or vendors beginning work if the contractor or vendor will have access to department IT environments;

- Establish policies and procedures related to background screenings, which include the identification of disqualifying criteria for individuals who will have access to the department’s environment;
- Add a placeholder to the template and applicable procurement instrument regarding the ownership and retrieval of data;
- Add a placeholder to the contract template related to the destruction of data upon the conclusion of the contract or when there is no longer a need to store the data;
- Following the termination of any contract in accordance with the provisions of said contract, require the contractor to:
 - a. Return promptly to the department all physical copies of confidential data in the contractor’s possession or in the possession of its representatives; and
 - b. Destroy all electronic copies of such confidential data, information, and notes including electronic copies prepared by the contractor or any of its representatives, in a manner that ensures the same may not be retrieved or undeleted; and
- Consider creating and implementing a contract template specific to IT which contains the recommendations above and conforms to enterprise standards, applicable frameworks, legal and regulatory requirements, and effectively manages risk related to the provision of IT services.

Creative Action, Inc. - We conducted an audit of the pre-employment transition services Contract #19-190 between the Division of Vocational Rehabilitation (DVR) and Creative Action, Inc. The purpose of this audit was to determine if Creative Action, Inc. has sufficient internal controls to provide effective delivery of pre-employment transition services and whether DVR is effectively monitoring the contract. During this audit, we noted that Creative Action, Inc. generally provided services in accordance with Contract #19-190 and had sufficient internal controls in place, and DVR provided effective oversight of the contract. However, we noted instances where DVR could improve certain internal controls. For example, we cited instances where DVR did not approve invoices timely. We additionally noted that DVR could strengthen its monitoring process by reporting monitoring results to the Contractor.

We recommended DVR:

- Streamline its invoice gathering, inspection, and approval procedures to ensure timely approval of invoices;
- Provide the monitoring results and recommendations for improvement to Creative Action, Inc. and ensure corrective action is implemented for noted deficiencies; and
- Utilize the DVR 2018 Provider Monitoring Guidebook or develop new procedures specific to monitoring practices for contracts.

Florida Alliance for Assistive Services and Technology, Inc. (FAAST) – 24 Month Status Report - We followed up on the status of corrective actions required in response to findings and recommendations contained in Report #A-1819DOE-007, Florida Alliance for Assistive Services and Technology, Inc. (FAAST). DVR management completed corrective action for each of their reported deficiencies.

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)(4), 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, 2021.

Suncoast Center for Independent Living, Inc. (SCIL) - The purpose of this audit was to determine if SCIL's internal controls ensure effective delivery of program services to individuals with disabilities and determine if the Division of Vocational Rehabilitation (DVR) effectively manages and monitors the contract for compliance.

Recommendation: We recommended DVR include a review of consumer service records (CSR) in its monitoring activities.

Status: Vocational Rehabilitation (VR) has completed 1st Quarter Monitoring of SCIL. The greatest concern programmatically is with SCIL's CSRs. Missing information and timely review of CSRs and the need for all CSRs to be brought up to date are the major deficiencies that need to be addressed. VR has contacted SCIL and made them aware of the need to correct identified deficits in a Corrective Action Plan.

Recommendation: We recommended DVR perform periodic reviews to ensure expenditures are allowable, allocable, reasonable, and necessary to the performance of the contract.

Status: Because of past issues with financial accountability, VR has had SCIL on a cost reimbursement contract for fiscal year 2019-20 and 2021. Additionally SCIL, as are all Centers, is required to track expenditures according to funding source monthly on the required budget reconciliation that is part of the SCIL's deliverables. Because SCIL has dedicated fiscal and administrative staff that oversees the financial responsibilities of the organization, the contract manager has confidence that the fiscal side of the organization is in good shape. However, SCIL has had difficulty submitting invoices in a timely manner. VR has identified deficiencies and requested corrective action from SCIL to address deficits.

Recommendation: We recommended the SCIL maintain financial records in accordance with contract terms to support expenditures incurred. We recommended the SCIL enhance its procedures to ensure expenses funded through DVR's contract are allowable and appropriately reflected in budget reconciliations by funding source. We recommended the SCIL ensure employees accurately and consistently allocate work hours across funding sources on the

submitted timesheets. We recommended the SCIL maintain the petty cash in accordance with policies and procedures with completed and approved vouchers.

Status: SCIL continues to work with the CPA ensuring all budgets and financial reports are up to date. SCIL has in place the Fiscal policy and procedures after SCIL board member's approval on 10/20/20. SCIL had eliminated the use of petty cash and implemented the use of debit card since January 2021 after the SCIL board approved it. The SCIL debit card is in the SCIL Fiscal Policy and procedure to ensure proper usage and documentation (pg. 31 in the Fiscal P&P). SCIL debit card is kept in the Executive Director office. SCIL keeps using the Mileage Tracking/ reimbursement form implemented on 10/20/20. All ledgers and receipts of the Petty Cash has been filed and will be kept for three yrs. SCIL will keep all the receipts for debit card purchases for five years. A new Purchase Approval Request (PAR) form has been implemented after SCIL Board Members approval on 10/8/2020 SCIL Board meeting. This form is used regardless of the amount or how the money is spent. SCIL keeps using the Mileage Tracking/reimbursement form implemented 10/2020. SCIL staff will continue using COMS database system to clock in and clock out along with a hard copy time sheet to accurately allocate SCIL staff work hours and properly distributed across SCIL funding sources. Also, consumers are entered in COMS database every time SCIL staff contact a consumer to ensure proper back up documentation for all funding sources.

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

Recommendation: We recommended the CIL of South Florida update its policies and procedures so they do not conflict with contract terms, each other, or the federal regulations.

Status: The agency has hired an HR consultant and formed an ad-hoc committee to address those concerns. Progress was made and initial first drafts for a number of policies were in the process of being reviewed for revision for the whole board. The virus tossed the entire agency into a state of flux. On March 12th, the agency switched to working remotely and have been focused on identifying how to deliver our services and identifying methods to report that information to our funders in an acceptable manner. In addition, our board struggled as well. With over half our board in the high-risk category their energy has continued to be focused on maintaining their health and well-being. For example, our April meeting was cancelled due to not having sufficient members for a quorum. Thankfully, our members have started to stabilize and it is the agency's expectation that there will be a fully updated P&P in October of this year. The anticipated date of completed corrective action is October 28, 2020.

An *Acceptance of Risk Memorandum* was signed by DVR on June 24, 2020, and signed by the Department on July 27, 2020, regarding this recommendation which remained outstanding after the 24-month status follow-up period. Due to the length of time the corrective actions were in progress and the need for us to focus our resources on other projects, our office no longer monitors the implementation of the corrective actions that remained in progress after the

Acceptance of Risk Memorandum execution. We further recommended DVR continue to monitor completion of the Center for Independent Living of South Florida corrective actions through routine monitoring and site visits.

AUDIT RESPONSE COORDINATION AND FOLLOW-UP

The Office of Inspector General 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 2020-2021 fiscal year, we coordinated the following external projects and follow-ups:



Office of the Auditor General

REPORT NUMBER	REPORT TITLE
2021-029	SIX MONTH STATUS: OPERATIONAL AUDIT
2021-028	SIX MONTH STATUS: IT OPERATIONAL AUDIT
2020-170	SIX MONTH STATUS: COMPLIANCE AND INTERNAL CONTROLS OVER FINANCIAL REPORTING AND FEDERAL AWARDS
2021-182	COORDINATION OF 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 Office of Inspector General 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 2021-22 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 2021-22 fiscal year, audit resources will be allocated to the following engagements:



Audit Plan 2021-22

DIVISION	PROJECT
CAREER AND ADULT EDUCATION	APPRENTICESHIP SERVICES - CARRYOVER
PUBLIC SCHOOLS	FAMILY CAFÉ - CARRYOVER
DIVISION OF BLIND SERVICES	CONTRACT MANAGEMENT – MIAMI LIGHTHOUSE - CARRYOVER
PUBLIC SCHOOLS	21 ST CENTURY COMMUNITY LEARNING PROGRAM
OFFICE OF EARLY LEARNING	AUDIT PLACEHOLDER
PUBLIC SCHOOLS	GRANTS MANAGEMENT – BUREAU OF EXCEPTIONAL EDUCATION AND STUDENT SERVICES - CARRYOVER
DEPARTMENT WIDE	RISK BASED COMPLIANCE AUDIT OF CONTRACTS (HB 1079)
VOCATIONAL REHABILITATION	COALITION CENTER FOR INDEPENDENT LIVING - CARRYOVER
VOCATIONAL REHABILITATION	JOBS FOR FLORIDA’S GRADUATES CONTRACT - CARRYOVER
VOCATIONAL REHABILITATION	FEE FOR SERVICE PROVIDER - CARRYOVER
VOCATIONAL REHABILITATION	ADULTS WITH DISABILITIES
VOCATIONAL REHABILITATION	ABLE TRUST
VOCATIONAL REHABILITATION	MONITORING
VOCATIONAL REHABILITATION	FORMAL CONTRACT
CHIEF INSPECTOR GENERAL	CYBERSECURITY ENTERPRISE PROJECT
TECHNOLOGY AND INNOVATION	APPLICATION DEVELOPMENT AND SUPPORT - CARRYOVER
TECHNOLOGY AND INNOVATION	APPLICATION

INVESTIGATIONS

Section 20.055(7), Florida Statutes, requires each Office of Inspector General (OIG) 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 referrals from 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 2020-21 fiscal year, the OIG received 531 complaints from the public and other entities, referred 123 complaints to management, initiated four full investigations, initiated six preliminary investigations, and completed five investigations. Additionally, the OIG coordinated or requested investigations for 15 complaints and made 16 referrals to law enforcement entities. The OIG processed 393 applicant background checks, conducted 14 background check reviews, and completed 16 public record requests.

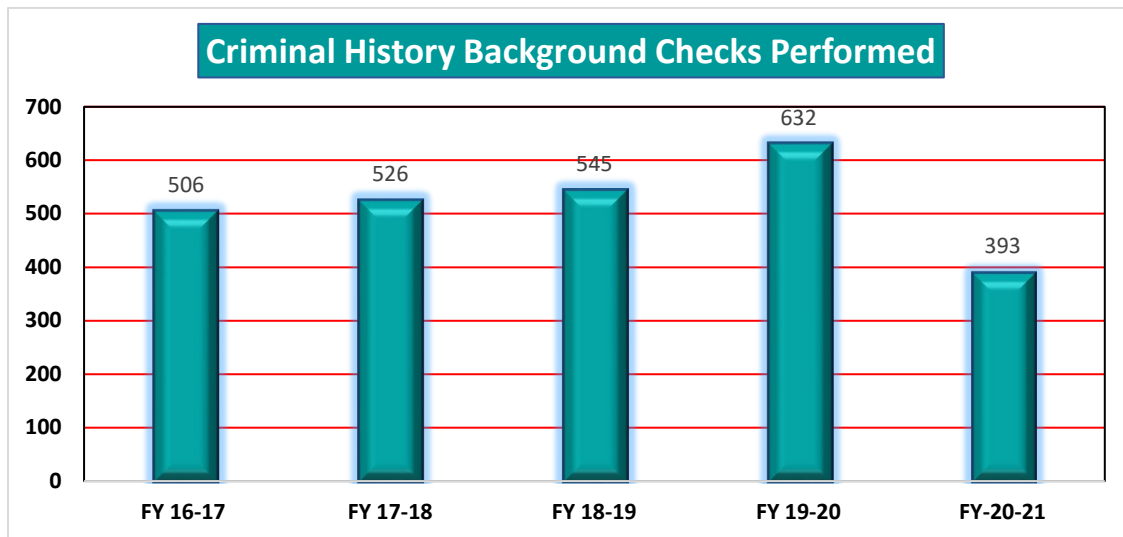
ACCREDITATION

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 inspector general offices. In February 2014, the full CFA voted unanimously to award the certificate of accreditation to the Florida Department of Education (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 completed the required re-accreditation review and determined the OIG is compliant with all CFA standards. In February 2020, the full CFA again voted unanimously to award the certificate of re-accreditation to the FLDOE Office of Inspector General. The re-accreditation remains in effect for three years. In November 2022, the FDOE OIG is scheduled for their CFA onsite assessment to obtain their third reaccreditation.



CRIMINAL HISTORY CHECK PROGRAM

In accordance with section 435, Florida Statutes, all employees, volunteers, and applicants must undergo a level II screening as a condition of employment. The Office of Inspector General (OIG) is responsible for processing the results of the level II screenings for each applicant. During the 2020-21 fiscal year, the OIG analyst conducted 393 applicant background checks and conducted 14 background reviews. The chart below depicts the number of background checks performed for the last five fiscal years.



COMPLETED INVESTIGATIONS

During the prior fiscal year, the OIG investigated allegations of misappropriation of funds, falsification of documentation, fraud, intentional misplacement of Exceptional Student Education (ESE) students, and employee misconduct. The OIG referred sixteen complaints to law enforcement. A synopsis of those investigations is provided below.

- **2019-0009 County School District – Individual Education Plans (IEP)**

On November 1, 2019, the Florida Department of Education (FDOE), Office of Inspector General (OIG) received a copy of an October 21, 2019, Final Order (FO) issued by the Florida Division of Administrative Hearings for a Florida school district. The findings of fact set forth in the final order revealed that the school district falsified records and wrongfully placed a student in a program for students with the most severe special needs. The judge ruled the district denied the student a "free and appropriate public education." At the request of the FDOE Commissioner, the FDOE OIG opened an investigation to review the Exceptional Student Education (ESE) Services in the school district to determine if the district wrongly placed students in ESE classes to avoid state testing. An intentional misplacement of ESE students into an alternate curriculum and assessment in order to falsely inflate a school or district grade could lead to the district inappropriately gaining funds resulting from the inflated school or district grade. Per section 1001.20 Florida Statutes, "If the Commissioner of Education determines that a district school board ... is unwilling or unable to address substantiated allegations made by any person relating to waste, fraud, or financial mismanagement within the school district ... the office shall conduct, coordinate, or request investigations into such substantiated allegations." In order to address concerns, the OIG obtained the school district's student assessment information for all students with at least one disability indicator from 2012-2019. The data revealed that roughly 28,000 students with a disability indicator took an assessment between the 2012-13 school year and the 2018-19 school year. Of those, roughly 2,300 took the alternate assessment. The OIG worked with staff from the FDOE Bureau of Exceptional Student Education (BESE) to complete a thorough file review to determine if the district assigned each student in our sample to the alternate assessment appropriately. Overall, our review found insufficient evidence to suggest the school district placed students on the alternate assessment to avoid state testing in order to falsely inflate a school or district grade. Our review revealed that most schools with a questionable placement only had one such placement during any given school year. Only one school had more than two questionable placements during any school year, and that school is an alternative school that does not receive a school grade, they receive a school improvement rating based on student learning gains. The allegation that school district intentionally placed students on the alternate assessment to avoid state testing and falsely inflate a school or district grade was not substantiated. The FDOE OIG provided the findings to BESE for follow up and any additional action deemed appropriate by department management to bring the district into compliance with applicable laws and FDOE guidance. Additionally, the FDOE Commissioner ordered FDOE staff to commence regular on-site monitoring of school district's ESE services until they are satisfied that the district has implemented a system of appropriate services and placements or FDOE will enforce financial consequences for persisting district failures.

- **2018-0010 Division of Vocational Rehabilitation (DVR)**

On September 17, 2018, the Office of the Inspector General (OIG) received a complaint from the Bureau Chief over Vendor and Contracted Services for the FDOE Division of Vocational Rehabilitation (DVR). The complainant alleged a DVR provider falsified documentation and billed DVR for services not provided for employment placement services and for the 2018 Summer Youth Program (SYP). The OIG reviewed DVR counselor case notes, On-the-Job Training (OJT) reimbursement requests submitted by the provider, and the 2018 SYP student forms. After interviews with 24 parents/students in the program the OIG identified possible criminal activity. Pursuant to Section 20.055 Florida Statutes, on March 19, 2019, the OIG reported to the United States Department of Education, Office of Inspector General (USDOE-OIG) that there were reasonable grounds to believe there had been a violation of criminal law. On September 11, 2019, the USDOE-OIG formally declined to open a full investigation. Subsequent to the USDOE-OIG denial, the FDOE OIG conducted a sworn recorded interview with the owner and obtained admissions from the owner regarding the allegations identified. The OIG substantiated the provider (owner) falsified documentation and billed DVR for services not provided related to employment placement services, OTJ services, and SYP services. The OIG recommended DVR permanently terminate the provider and owner as a DVR vendor and consider seeking restitution for services paid to the provider by DVR, and verified by provider (owner) as not provided. On January 11, 2021, the FDOE filed to permanently revoke the provider from DVR and the provider's attorney reported they would accept the revocation.

- **2018-0014 County School District - FEMA**

The OIG received a complaint regarding alleged fraudulent claim submissions from a former Federal Emergency Management Agency (FEMA) Public Assistance Program Delivery Manager and the former County School District (School District) Finance Director. The complainant alleged the School District submitted fraudulent claims to FEMA, and the School District Maintenance Director failed to follow district procurement procedures and protocols, causing the district to incur inflated expenses for repairs. The investigation did not substantiate that the School District submitted fraudulent claims to FEMA. There was Insufficient Evidence to Substantiate the School District Maintenance Director failed to follow district procurement procedures and protocols that caused inflated expenses. The OIG recommended that the School District update their policies and procedures regarding disaster preparation and recovery to ensure damage repairs are properly approved and documented to enable the district to receive all eligible cost reimbursements. The OIG further recommended that the School District review the report to determine if the Maintenance Director fully complied with all procurement procedures and protocols.

- **2020-0004 Division of Blind Services (DBS)**

The OIG received a complaint from the Division of Blind Services (DBS), reporting a DBS Administrator appeared to be violating FDOE policy and procedures. Specifically, the DBS Administrator allegedly improperly emailed DBS client information to private email addresses, allowed a subordinate employee to use the Administrator's People First (PF) password to approve time sheets for employees cheating on their time, and delegated their work to someone outside of DBS. During the investigation, the DBS Administrator resigned their position and the investigation continued regarding the subordinate employee. The investigation and admission by

the subordinate DBS employee substantiated the subordinate employee submitted incorrect work hours in PF that they did not actually work and submitted hours in conflict with their approved work schedule. The OIG further substantiated that the subordinate employee utilized department email and internet resources excessively during work hours for personal reasons. The subordinate employee resigned following the investigation.

OTHER INVESTIGATIVE ACTIVITIES

The OIG received an online complaint from a Division of Vocational Rehabilitation (DVR) client alleging DVR staff mishandled their case and intentionally delayed providing services to the client. DVR Administration contacted the OIG and requested an inquiry into the complaint. The DVR client reported being informed their case was being intentionally delayed by DVR personnel for unknown reasons. The OIG review found that DVR personnel met timeliness requirements outlined in Florida Administrative Code for determining the DVR client's eligibility and completing the Individualized Plan for Employment (IEP). The OIG closed the complaint and recommended DVR review the OIG closing memo to ascertain if any additional coaching, counseling, or personnel action is required. The OIG further recommended that DVR consider transferring the DVR client to a new DVR counselor and offer to provide a full orientation of the DVR process and expectations of the client and DVR counselor.

The OIG received a complaint referral from the Agency for Persons with Disabilities (APD), OIG, and the Chief Inspector General. The complainant, a former employee with an APD and FDOE Division of Rehabilitation provider, expressed concerns about an APD Contract for \$743,000, and FDOE Grant for approximately \$1.7 million, both awarded to this provider. The complainant alleged that the provider misspent APD appropriations and FDOE grant funds. Based upon witness testimony, documents obtained and reviewed, and guidance by the FDOE Bureau of Comptroller and Office of the General Counsel, the OIG review found no evidence of fraudulent activity related to the provider's grant or misspent grant funds.

The OIG received a complaint from a citizen alleging that an owner of a Vocational Rehabilitation (VR) provider appeared to have committed malfeasance of public funds for personal use. Additionally, FDOE leadership received a similar complaint alleging the provider used taxpayer funds for personal gain. The complainant raised concerns about whether the provider is in compliance with the contract and whether the provider is appropriately operating as a 501(c)(3) non-profit organization. The concerns reported regarding qualifications as a non-profit are outside the purview of the OIG. However, the OIG review of the provider's tax forms identified potential errors in the tax filings for the provider. Documentation submitted by the provider evidenced that additional employees of the provider participated in the provision of services to the participants, but the provider's tax filing did not reflect those employees appropriately. The provider reported that, once they became aware of this error, they requested to amend the tax return and are in the process of working with the Internal Revenue Service (IRS) to correct their incomplete filing. Overall, the review demonstrated that the provider was compliant with their VR contractual requirements. Based on the information obtained and reviewed by the OIG, the provider complied with the contractual requirements.

WHISTLE-BLOWER DETERMINATIONS

The investigations section completed one whistle-blower determination during Fiscal Year 2020-21. After assessing the complaint, 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 complaint was referred to the FDOE Division of Finance and Operations for action deemed appropriate.

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 II 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. During Fiscal Year 2020-21, the OIG processed 393 background screenings and completed 14 background reviews of issues recorded by the National Crime Information Center/Florida Crime Information Center (FCIC/NCIC) and verified by the OIG with local court records.

During the past five fiscal years, the OIG completed a total of 2602 background checks and produced 89 background reviews on applicants whose criminal records indicated they failed to disclose the required criminal information. In the last five years, this program has averaged 520 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.

NEW EMPLOYEE ORIENTATION AND OIG OUTREACH

During the department's New Employee Orientation sessions, the OIG presents an overview of the OIG office, staff, and investigative activities to provide new employees with a basic



understanding of the OIG office, our functions, responsibilities, and how each employee plays an important role in the identification and prevention of fraud, waste, and abuse in department programs. We explain the Florida Whistle-blower Act and how it applies to department employees. Our overview includes real case examples and scenarios of previous investigations and identifies areas where each employee can be a valuable resource in preventing and identifying questionable activity. We discuss the department's Ethics Policy, Integrity in Government, relevant Florida Statutes, and the many Florida Administrative Codes related to the conduct of state employees and their duty in safeguarding education dollars as new stewards for the Florida Department of Education. During Fiscal Year, 2020-21, the OIG presented the fraud and awareness outreach program to 227 department employees.



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