



agency for persons with disabilities
State of Florida

Charlie Crist
Governor

Jim DeBeaugrine
Director

OFFICE OF INSPECTOR GENERAL ANNUAL REPORT JULY 1, 2008 - JUNE 30, 2009



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INTRODUCTION

Mission

Our mission is to protect and promote public integrity, efficiency, and accountability within the Agency through audits and investigations that detect fraud, waste, and abuse.

Goal

Our goal is to excel in auditing and investigations to achieve the highest level of professional competence and reporting accuracy.

The OIG's responsibilities include:

- Promoting economy and efficiency in agency programs and operations, and preventing and detecting fraud and abuse;
- Conducting audits, management reviews, and investigations including background screening, review of incident reports and reports of death;

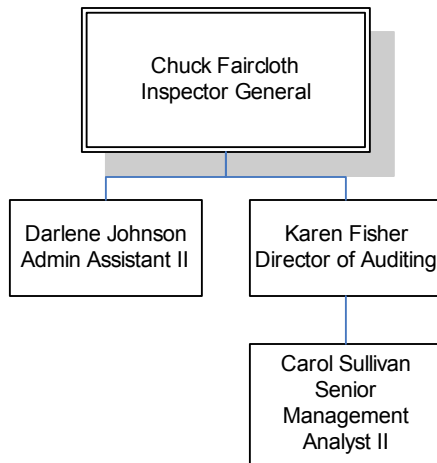
- Advising in the development of performance measures, standards, and procedures for the evaluation of Agency programs; reviewing actions taken by the Agency to improve program performance and meet program standards;
- Recommending corrective action concerning fraud, abuse, and deficiencies in Agency controls and reporting on progress made in implementing corrective actions; and
- Coordinating engagements and reviewing actions by the Agency in response to recommendations made by the Office of the Auditor General, the Office of Program Policy Analysis and Government Accountability, the Florida Department of Financial Services, and other external agencies during the course of their audits or reviews.

A Risk-Based Program

To ensure that the OIG is responsive to management concerns and that the activities believed to have the highest risks are reviewed, a risk-based approach is used. The OIG performs an annual risk assessment of Agency activities to determine which activities will be reviewed each year.

Organization and Staff

The OIG is organized into two sections: Internal Audit and Investigations. The OIG has a staff of four professional/technical positions. Our organizational structure during the period July 2008 – June 29, 2009 was as follows:



Carol Sullivan became the Director of Auditing on June 29, 2009. Professional certifications held by the staff shown above include a Certified Public Accountant and a Certified Internal Auditor.

INTERNAL AUDIT SECTION

Overview

“Internal auditing is an independent, objective assurance and consulting activity designed to add value and improve an organization’s operations. It helps an organization accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance processes.” (Standards for the Professional Practice of Internal Auditing)

The internal audit activities are performed in accordance with Generally Accepted Government Auditing Standards and Standards for the Professional Practice of Internal Auditing.

Pursuant to Section 20.055(5)(h), Florida Statutes, the Internal Audit Section, Office of Inspector General, prepared an annual audit plan for fiscal-year 2008-2009 based on a recent risk assessment process.

For the fiscal year 2008-2009, the Internal Audit Section performed the following audits, follow-up audits, management reviews, and consulting services:

Audits

A-07/08-009

Release Date: September 2, 2008

The purpose of this audit was to determine if Tacachale Center expenditures complied with state laws, rules, and regulations, and appeared reasonable. Several deficiencies were noted with respect to Tacachale cellular phone expenditures.

- Out of a total of 109 cellular phones, there appeared to be a large number of phones designated as floaters.
- Forty-three cellular phones were used less than 30 minutes per month for 2 out of the 3 most recent months in the period under audit. The annual charge for these phones totaled approximately \$8,900.



- Excessive personal use of agency cellular phones was noted for 2 employees. One employee reimbursed the Agency \$1,222. The other reimbursed the Agency \$650.

We recommended that Tacachale management should perform a review to determine if all the cellular phones were needed for official State business, enhance the documentation retained to justify the need for each cellular phone, and restrict the personal use of Agency cellular phones.

A-08/09-006

Audit was postponed due to other priorities.

Family Care Council Audits

Section 393.502(9), Florida Statutes, requires a financial review of expenditures of the Family Care Councils. The Internal Audit Section selects five Family Care Councils per year for audit. These audits were conducted to determine whether the Family Care Council expenditures were in compliance with Florida Statutes and other applicable state laws and rules. The five audits are presented below:

A-08/09-001

Release Date: August 28, 2008

The results of our audit indicated Area 7 expenditures were in compliance with Florida Statutes, were allowable, and were properly coded and recorded in FLAIR.

A-08/09-002

Release Date: November 6, 2008

Based upon the results of our audit, Area 2 expenditures were in compliance with Florida Statutes and were allowable. We did note that 1 expenditure item was incorrectly coded and recorded in FLAIR. This resulted in an overcharge of \$193.13 to the Area 2 Family Care Council. We recommended that the Area 2 staff should perform a closer review of items charged against the Area 2 Family Care Council budget.

A-08/09-003


Release Date: November 6, 2008

The results of our audit indicated Area 4 expenditures were in compliance with Florida Statutes, were allowable, and were properly coded and recorded in FLAIR.

A-08/09-004

Release Date: December 16, 2008

The results of our audit indicated Area 9 expenditures were in compliance with Florida Statutes, were allowable, and were properly coded and recorded in FLAIR.



A-08/09-005

Release Date: April 30, 2009

The results of our audit indicated Area 23 expenditures were in compliance with Florida Statutes, were allowable, and were properly coded and recorded in FLAIR.

Follow-Up Audits

FA-08/09-001

Release Date: September 29, 2008

This report provides the status on recommendations originally presented in the Office of Program Policy and Analysis & Government Accountability Report No. 08-15, dated March 2008. The original report was entitled "APD Should Take Steps to Ensure New Needs Assessment and Individual Budget Process is Timely and Effective." The original report addressed 2 issues. The follow-up audit was performed to determine if appropriate corrective action was taken for these findings.

FA-08/09-002

Release Date: November 26, 2008

This report provides the sixth-month status on recommendations originally presented in Auditor General Report No. 2008-10, dated May 2008, as required by Section 20.055(5)(g), Florida Statutes. The Auditor General presented several findings in the report. The follow-up audit was performed to determine if appropriate corrective action was taken for these findings.

Management Reviews

M-08/09-001

Release Date: November 3, 2008

This was a review of Agency procedures relating to seclusion and restraint of residential clients in the Mentally Retarded Defendant Program (MRDP) at Florida State Hospital. It was performed in conjunction with an investigation by the Department of Children and Families Office of Inspector General. The review/investigation revealed deficiencies in the Agency's procedures relating to seclusion and restraint of MRDP residential clients. MRDP subsequently revised its procedures to strictly limit the use of seclusion and restraint in the program.

M-08/09-002

Release Date: November 18, 2008

This was a review of the North Highland Company (Company) "Top-Ranked" Recommendations. The objective of this review was to ensure that the Agency for Persons with Disabilities (Agency) is taking reasonable steps to implement the Company's recommendations for improving the economy and efficiency in the administration of the Agency's programs and operations.

M-08/09-003

Release Date: April 7, 2009

This was a review of the Supported Employment Program. The objectives of the review were to:

- Review the implementation of the Interagency Agreement between the Agency and the Division of Vocational Rehabilitation, Department of Education.
- Review the Agency efforts to move consumers from Adult Day Training to Supported Employment.
- Review the Agency efforts to overcome identified barriers and obstacles to employment.



- Review how the Agency interfaces with the Agency for Workforce Innovation and local workforce boards, and other employment entities for resources.
- Research the Medicaid Infrastructure Grant (MIG) to determine how the funds are spent and how the resources equate to outputs.

The review recommends executive management decide how the Agency wants to address the future of the supported employment program, specifically the MIG purposes.

M-08/09-004

Release Date: April 2, 2009

This was a review of the management and performance of the Tacachale Developmental Disabilities Center, Administrative Services section. The review objectives were to examine section procedures, production, personnel management, and overall performance. The review also examined purchasing procedures and recommended improvements. The Director of Administrative Services subsequently resigned.

M-08/09-005

Release Date: April 14, 2009

This was a review of the management and performance of the renovation of Rish Park, a recreational facility for persons with developmental disabilities. The review examined the interagency process of designing, contracting for and overseeing the construction of the renovation and recommended improvements.

M-08/09-006

Release Date: May 14, 2009

This was a review to perform follow-up on the management review provided by Project Management Solutions, Inc., and to gain a better understanding of the Agency's Bureau of Information Technology.

Consulting Services

Under the International Standards for the Professional Practice of Internal Auditing, consulting services are defined as advisory and related client service activities, the nature and scope of which are agreed with the client (Agency management) and which are intended to add value and improve an organization's governance, risk management, and control processes, without the internal auditor assuming management responsibility.

In the Office of the Inspector General's capacity, pursuant to Section 20.055, Florida Statutes, to provide a central point for coordination of and responsibility for activities that promote accountability, integrity, and efficiency in

government, the Internal Audit Section has provided formal and informal information to assist Agency personnel in their operational capacities.

During the fiscal year 2008-2009, no Consulting Services were performed.

INVESTIGATION SECTION

Overview

The Office of the Inspector General (OIG) conducts timely and efficient internal investigations of alleged administrative and employee misconduct in matters relating to the Agency. Initial complaints serve as grounds for an investigation and can be received from sources such as Agency managers, employees, whistleblowers, business entities regulated by or doing business with the Agency, and private citizens. Depending on the type of allegation and evidence contained in the complaint, OIG investigations fall into one of two categories:

Management Inquiry: The OIG conducts a preliminary inquiry in circumstances when it is necessary to determine the validity of the complaint prior to opening a formal investigation.

Inspector General Investigation: The OIG conducts formal investigations in accordance with Florida Statutes, APD-OIG policies and procedures, and inspectors general best practice standards established by the Association of Inspectors General (the “Green Book” standards).

Once a case is opened and assigned, OIG staff begin the investigation process and conduct the inquiry or investigation. When the investigation is complete, the case is formally documented in a final report and closed with one of the following findings:

Sustained: Evidence is sufficient to prove allegation(s).

Not Sustained: Insufficient evidence available to prove or disapprove allegation.

Exonerated: Alleged actions occurred but were lawful and proper.

Unfounded: Allegations are false or not supported by fact.

Policy Failure: Alleged actions occurred and could have caused harm; however, the actions taken were not inconsistent with Agency policy.

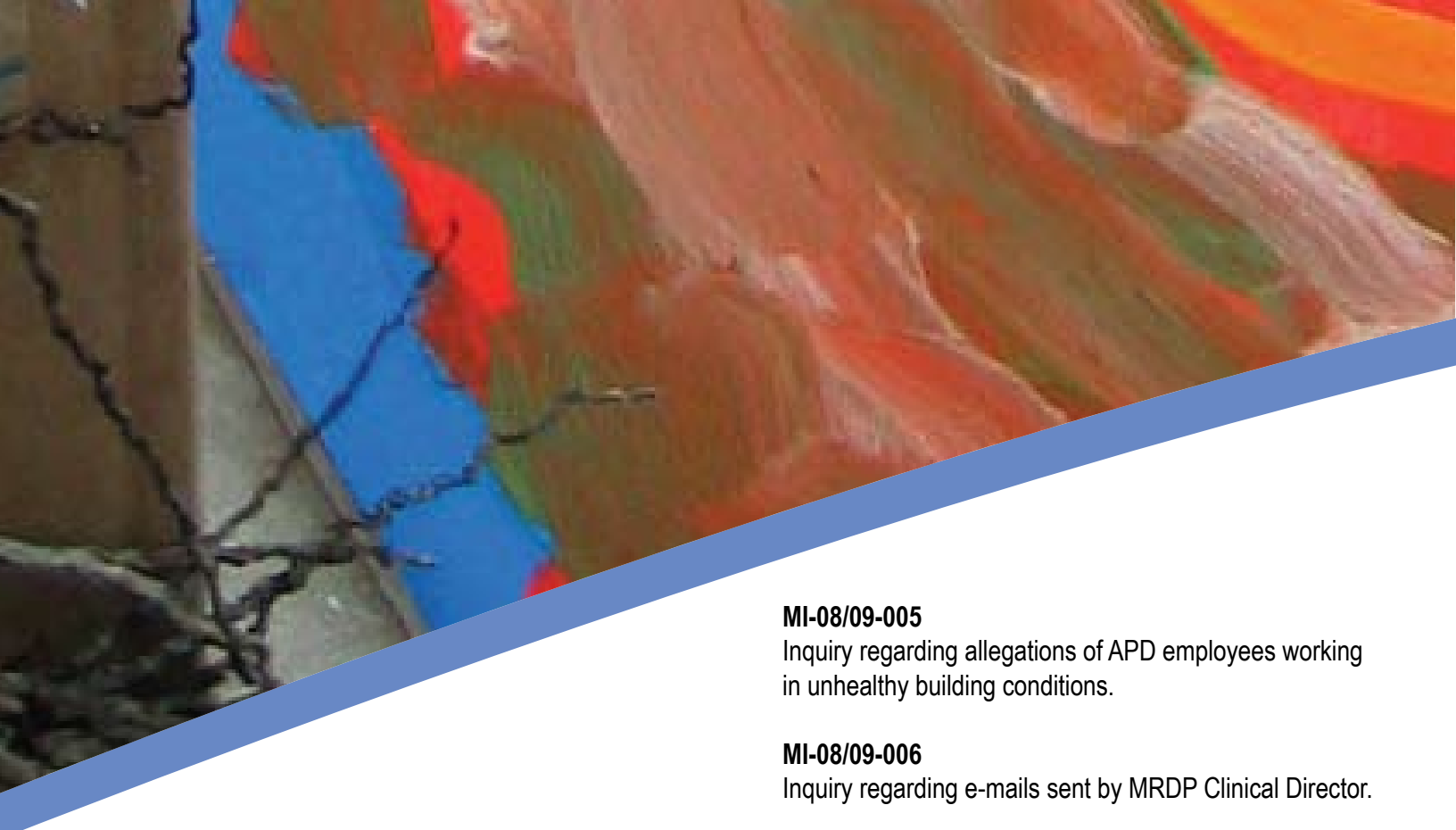
Management Inquiry: The allegation did not meet the criteria of an IG investigation, or the allegations related to management and/or work performance issues only.

After the Agency Inspector General approves the case for closure, the results are forwarded to the Agency Executive Director and other managers as appropriate, for action as they deem necessary. The Inspector General conducts most Agency OIG investigations.

The following descriptions outline the OIG case activity for fiscal year 2008-2009:

Management Inquiry

A management inquiry is a preliminary inquiry directed to agency managers in a selected office or program. Management inquiries are preliminary to any formal investigation. These inquiries are designed to acquire information from agency managers through a written report in reply to the inquiry. In fiscal year 2008-2009, the OIG delivered 22 management inquiries to Agency managers. The inquiries were on a wide range of



subjects. Examples include an inquiry concerning the life insurance coverage of a deceased Agency employee; an inquiry concerning APD employees located in allegedly unhealthy office conditions; and several inquiries concerning background checks for prior criminal offenses.

No formal investigation resulted from OIG inquiries made in fiscal year 2008-2009. The following are OIG inquiries delivered in fiscal year 2008-2009:

MI-08/09-001

Inquiry regarding the lack of life insurance on the part of an APD Sunland Center employee, now deceased.

MI-08/09-002

Inquiry regarding alleged discrimination against a group home due to its owner's national origin by APD Area 15.

MI-08/09-003

Inquiry regarding alleged exploitation of a female APD client by a male APD client in the APD Suncoast Region.

MI-08/09-004

Inquiry regarding alleged employment of individuals with criminal histories at a group home in Okeechobee, Florida.

MI-08/09-005

Inquiry regarding allegations of APD employees working in unhealthy building conditions.

MI-08/09-006

Inquiry regarding e-mails sent by MRDP Clinical Director.

MI-08/09-007

Inquiry regarding an anonymous complaint against the managers of Tacachale Center.

MI-08/09-008

Inquiry regarding a provider's contract being cancelled without sufficient or proper notice at APD Area 15.

MI-08/09-009

Inquiry regarding an anonymous complaint alleging that the APD Area 9 office had several persons who obtained employment and had not been properly screened and cleared through the background screening.

MI-08/09-010

Inquiry regarding the alleged backdated cost plans and/or service authorizations received by ARC members.

MI-08/09-011

Inquiry regarding the alleged improper dismissal and several sexual misconduct allegations of a Sunland Center probationary employee.

MI-08/09-012

Inquiry regarding the alleged mistreatment of the complainant's son by employees of his community services provider.

MI-08/09-013

Inquiry regarding the allegations of an APD Suncoast Area employee using her authority as an APD manager to harass her ex-husband and abusing her APD position to control the treatment and services for her adult daughter's developmentally disabilities.

MI-08/09-014

Inquiry regarding the allegations of an APD Area 2 employee misusing her position at APD to influence state agencies and file false reports.

MI-08/09-015

Inquiry regarding the alleged treatment and injuries of the complainant's son at Florida State Hospital.

MI-08/09-016

Inquiry regarding the allegations of a waiver support coordinator in APD Area 3 not fulfilling her contract with APD and causing extensive problems with billings and services of their mutual clients.

MI-08/09-017

Inquiry regarding the alleged rudeness by an APD Area 7 employee against the complainant.

MI-08/09-018

Inquiry regarding the administrator of a facility allegedly offering a bribe to an APD Area 13 employee.

MI-08/09-019

Inquiry regarding the lack of services for the complainant's son and the safety of the complainant's family.

MI-08/09-020

Inquiry regarding the closure of a provider by APD Area 13 for no substantive reason while refusing to provide any reason to the provider.

MI-08/09-21

Inquiry regarding an anonymous complaint filed against an APD employee at Sunland Center alleging the employee was making personal long-distance phone calls on state phones and working her second job on state time.

MI-08/09-022

Inquiry regarding the alleged improper termination of the complainant's daughter due to her refusal to enter a personal relationship with her supervisor.

MI-08/09-023

Inquiry regarding allegedly improper actions of the Area 1 (Pensacola) Family Care Council in the applications for appointment to the council. The inquiry was closed out to become an active management review.

Inspector General Investigation**I-08/09-001**

This was an investigation regarding a complaint from an employee of the APD General Counsel's Office about the conduct unbecoming a state employee of an Assistant General Counsel toward the complainant, another Assistant General Counsel. The investigation revealed the complaint to be founded. The subject Assistant General Counsel resigned from the Agency.

OTHER OIG ACTIVITIES**OIG Background Investigation Checks**

A little-known but time-consuming duty of the OIG is to perform personnel background checks against OIG case files and documents. In fiscal year 2008-2009, AA II Darlene Johnson of the OIG performed over 230 background checks for new hires, promotions, and other personnel actions. This duty will continue to grow as the Agency and OIG case files continue to grow.



Referrals

Some complaints and issues that come before the OIG are found to be actually intended for or within the purview of another office, agency, or department. When a complaint or correspondence needs to be referred or redirected elsewhere, OIG staff ensure the matter is directed to the proper governmental office and follow up as required. The OIG referred six matters to outside agencies in fiscal year 2008-2009.

Incident Reports

The OIG receives copies of major incident reports from the Deputy Director of Operations. All major incident reports are reviewed by OIG staff to ascertain if further OIG action is necessary. No formal investigations resulted from incident reports in fiscal year 2008-2009.

Reports of Death

As a final management check on the reported deaths of agency clients, the OIG receives and reviews all Agency Reports of Death. If required, OIG employees follow up with medical case management staff to obtain autopsy results, HomeSafeNet abuse data, and other information. The OIG review of Reports of Death focuses on detecting any possible sign of abuse or neglect in a client's death and examines other issues relating to a client's death as needed. OIG staff reviewed over 170 Reports of Death in fiscal year 2008-2009.



Triangle

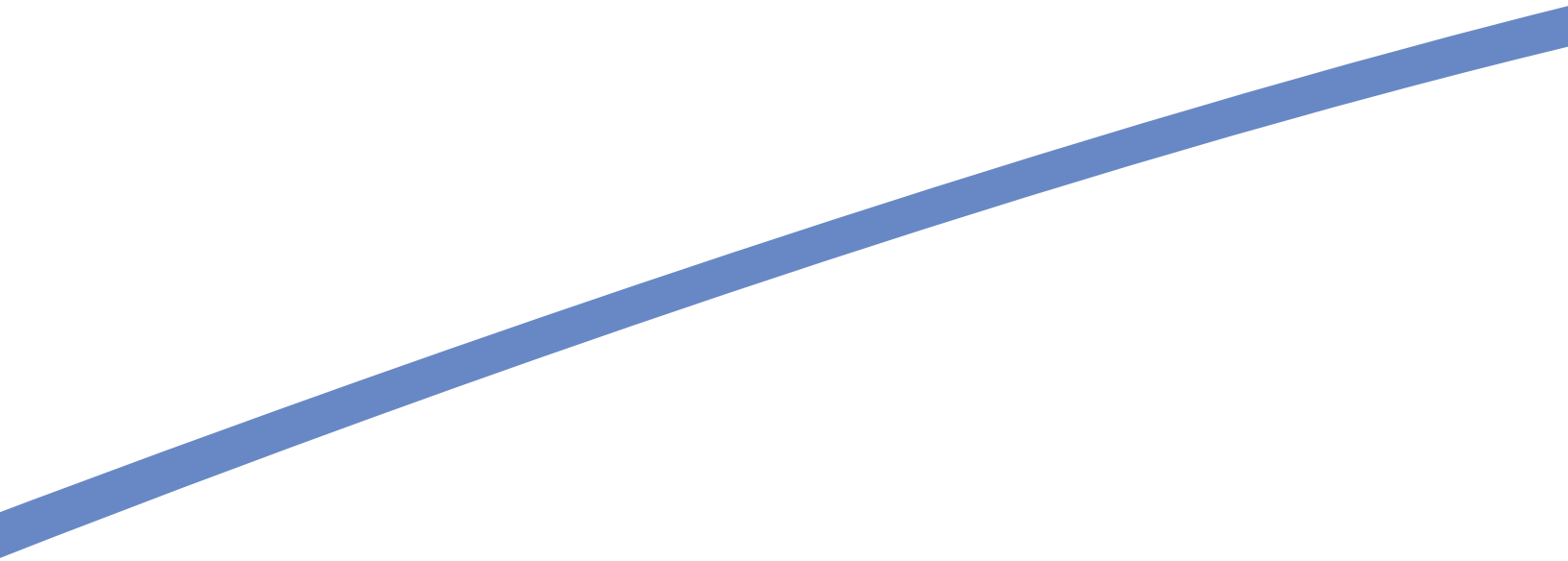
COLORS

ZOO

Carmela Montana



agency for persons with disabilities
State of Florida



PROMOTING ACCOUNTABILITY, INTEGRITY, AND EFFICIENCY IN GOVERNMENT

