

Jeb Bush
Governor

Lucy D. Hadi
Secretary

OFFICE OF INSPECTOR GENERAL

Enhancing Public Trust in Government

Annual Report

Fiscal Year 2005 - 2006



Sheryl G. Steckler, Inspector General

***Provide leadership in the promotion of
accountability and integrity of State Government***

September 29, 2006



**State of Florida
Department of Children and Families**

Jeb Bush
Governor

Lucy D. Hadi
Secretary

September 29, 2006

Dear Secretary Hadi,

In accordance with Section 20.055, Florida Statutes, I am pleased to present our FY2005-2006, Office of Inspector General (OIG) Annual Report. This report highlights significant activities and accomplishments of the Department of Children & Families OIG during the fiscal year in promoting efficient and effective government. This report also focuses on the accomplishments of the strategic initiatives undertaken by each section (Internal & Single Audit, Investigations, Quality Control, Civil Rights and Appeal Hearings); encompassing the five objectives:

- ❖ High Ethical and Moral Standards
- ❖ Employ Technological Advances and Opportunities
- ❖ Lessen Liability for the Department
- ❖ Ensure Timely and Responsive Delivery of Services
- ❖ Customer Satisfaction

In reaching for the Governor's Council on Integrity and Efficiency (GCIE) vision of Enhancing Public Trust in Government and our internal mission of Adding Value, we have been embarking on a course of changing the ethical climate of case workers who falsify home visits and/or enter false data into HomeSafenet. Over the past three years, we have coordinated efforts with several law enforcement agencies, the Florida Department of Law Enforcement, the Attorney General's Medicaid Integrity Unit and local State Attorney Offices (SAO). This partnership has begun to bring success netting 8 criminal prosecutions, 3 subjects awaiting trial, 12 subjects pending prosecution decision by the SAO, 31 subjects pending law enforcement referral to the SAO, and 13 subjects currently under criminal investigation.

As we continue to strive towards the GCIE's mission of Providing Leadership in the Promotion of Accountability and Integrity in State Government, our office is creating a new training course "*Generating Ethical Excellence*", which we anticipate to begin department-wide November 2006. In addition, it is also our goal to provide this training to our Community Based Care partners in 2007.

I wish to thank the OIG team for their hard work and commitment to excellence. Together, we will strive to continue our efforts in upholding integrity and accountability within ourselves and the Department of Children and Families.

Sincerely,

A handwritten signature in black ink that reads 'Sheryl Steckler'.

Sheryl Steckler
Inspector General

cc: Derry Harper, Chief Inspector General

1317 Winewood Boulevard, Tallahassee, Florida 32399-0700

Mission: Protect the Vulnerable, Promote Strong and Economically Self-Sufficient Families, and Advance Personal and Family Recovery and Resiliency

Table of Contents

TABLE OF CONTENTS	i
LIST OF CHARTS	iii
EXECUTIVE SUMMARY	1
SECTION A: INTRODUCTION	2
Core Values	2
Statutory Requirements	2
OIG Staff Members Activities.....	3
Self-Assessment Activities during Fiscal Year 2005-2006	3
OIG Organizational Chart during Fiscal Year 2005-2006	4
Where We are Going in Fiscal Year 2006-2007	5
OIG Strategic Plan	6
SECTION B: INTERNAL AND SINGLE AUDIT	9
Internal Audit Staff and Completed Audits	11
Internal Audit Highlights	14
Follow-up Reports	16
Coordination with External Auditors	16
Single Audit	16
Strategic Goal Accomplishments	17
SECTION C: INVESTIGATIONS	18
Notable Investigative Facts during Fiscal Year 2005-2006	20
Law Enforcement Referrals by District.....	20
Database Tracking System	22
Strategic Goal Accomplishments	22
Recommended Corrective Action Plan	22
Cases of Interest during Fiscal Year 2005-2006	23
SECTION D: CIVIL RIGHTS	24
Title VI (Service Delivery).....	25
Title VII (Employment Issues)	25
Health Insurance Portability and Accountability Act (HIPAA)	25
Strategic Goal Accomplishments	25
SECTION E: QUALITY CONTROL	29
Quality Control Review Process	30
Performance Workload	31
Temporary Assistance for Needy Families (TANF)	31
Medicaid	31
Strategic Goal Accomplishments	32
Quality Control Client Survey	34
Error Rate Summary	35
SECTION F: APPEAL HEARINGS	36
Fair Hearings	37
Nursing Home Transfer/Discharge Hearings.....	37
Administrative Disqualification Hearings.....	38
Workload Performance	38
Strategic Goal Accomplishments	38

SECTION G: APPENDICES..... 43
Appendix I – Internal and Single Audit:
 Summary of Internal Audits Issued during Fiscal Year 2005-2006 43
 List of Follow-up Audit Reports Completed during Fiscal Year 2005-2006 48
 List of External Audit Reports Issued during Fiscal Year 2005-2006 49
Appendix II - Investigations:
 List of Investigations' Case Descriptions by District/Region during Fiscal Year 2005-2006 50
Appendix III – Strategic Plan
 Worksheets 60

Charts

Figure A.1:	OIG Pillars for Public Trust	2
Figure A.2:	OIG Organizational Chart	4
Figure A.3:	OIG Strategic Plan	7
Figure B.1:	OIG Internal Audit Process	9
Figure B.2:	OIG Single Audit Process	10
Figure B.3:	Comparison of Audits/Consulting Projects Completed (FY 1999-00 – FY 2005-06).....	12
Figure B.4:	Audit Workload Distribution by Program Area (FY 2005-2006).....	12
Figure B.5:	Origin of Audits/Consulting Projects Completed (FY 2005-2006)	13
Figure C.1:	OIG Investigation Process	18
Figure C.2:	Investigations/Management Reviews by Program Area (FY 2005-2006).....	19
Figure C.3:	Allegation Types Investigated (FY 2005-2006).....	20
Figure C.4:	Law Enforcement Referrals by District.....	20
Figure C.5:	Subjects Referred for Criminal Investigation and/or Prosecution	21
Figure D.1:	OIG Civil Rights Process	24
Figure D.2:	Title VI Client/Service Delivery Complaints by Program/Institution (FY 2005-2006).....	26
Figure D.3:	Title VI Client/Service Delivery Complaints filed by Clients (FY 2005-2006).....	26
Figure D.4:	Title VI Client/Service Delivery Complaints by Issue (FY 2005-2006).....	27
Figure D.5:	Title VII Employment Complaints by Program/Institution (FY 2005-2006)	27
Figure D.6:	Title VII Employment Basis for Complaint (FY 2005-2006)	28
Figure D.7:	Title VII Employment Complaint by Issue (FY 2005-2006).....	28
Figure E.1:	OIG Quality Control Process.....	29
Figure E.2:	Comparison of Food Stamp Reviews Completed by District (FFY 2005).....	33
Figure E.3:	Comparison of Food Stamp Reviews Completed (FFY 2002-03 – FFY 2004-05)	33
Figure E.4:	OIG Quality Control Client Survey	34
Figure E.5:	Food Stamp Error Rate (FFY 2001-2005) Five-Year Trend	35

Figure F.1:	OIG Appeal Hearings Process.....	36
Figure F.2:	Comparison of Statewide Fair Hearings by Disposition (FY's 2004-05 and 2005-06)	39
Figure F.3:	Administrative Disqualification Hearings by District/Region (FY 2005-2006).....	40
Figure F.4:	Adult Services Hearings by District/Region (FY 2005-2006).....	40
Figure F.5:	Family Safety Hearings by District/Region (FY 2005-2006).....	41
Figure F.6:	Access Florida Hearings by District/Region (FY 2005-2006).....	41
Figure F.7:	Disaster Food Stamp Hearings by District/Region (FY 2005-2006).....	42

Executive Summary

HIGHLIGHTS

- ❖ *Hurricane Disaster Relief - OIG staff volunteered 2,297 hours to assist in crisis counseling and/or access integrity during the issuance of emergency food stamps.*
- ❖ *All OIG Units have developed web based orientations for department employees.*

Internal and Single Audit (OSIA)

- Published **23** audit reports, in which **65** recommendations were made; and identified **\$2,247,146** in questioned costs, duplicate billings, and ineligible costs.
- Coordinated the Department's responses to **16** external audit reports; and coordinated **53** liaison activities for the Office of the Auditor General, Office of Program Policy Analysis and Government Accountability, and Federal agency requests for responses and information regarding audits and reviews.
- Conducted **7** external follow-up audits.
- Processed **114** contract oversight reports for response, in which **236** recommendations were made; and identified **\$607,267** in questioned costs.
- Reviewed and processed **342** A-133 and other CPA audit reports.

Investigations (OSII)

- OSII reviewed a total of **647** complaints. Of the total number of complaints received:
- **97** cases were opened for investigation and/or management review during the fiscal year.
- **323** complaints were referred to district/management as management referrals (require no response to OSII).
- **46** complaints were referred to district/management as management inquiries (require a written response to OSII).
- **181** complaints were closed with no action (**130** were duplicate complaints already assigned to the district or program office for handling, and **51** were non-jurisdictional complaints that were referred to other agencies for handling).
- **90** cases were completed during the fiscal year (**83** investigations and **7** management reviews).
- **35** subjects coordinated with law enforcement/State Attorney offices for criminal investigation/prosecution.

Civil Rights (OSICR)

- **93** Title VII (employment) formal complaints assigned for investigations. **111** Title VII complaints completed.
- **31** Title VI (service delivery) formal complaints assigned for investigations. **28** Title VI complaints completed.
- **3** HIPAA complaints filed. **1** HIPAA complaint completed. Conducted **105** HIPAA compliance monitoring.
- Processed **1,905** New Hire Reports.
- Processed **565** Technical Assistance calls during the period January 1, 2006 through June 30, 2006.
- Developed computerized compliance monitoring tool.

Quality Control (OSIQC)

- Conducted **2,089** food stamp active and **1,027** food stamp negative case reviews.
- Stratified the food stamp sample to make it statistically reliable by district, thus increasing the sample size by **75%** over the required minimum.
- Completed **4,273** Medicaid Pilot Project reviews and **321** Medicaid negative reviews.
- Identified a **92.98** accuracy rate in the Food Stamp Program.
- Conducted **1,291** desk reviews of Temporary Assistance for Needy Families (TANF) cases from January 2005 through September 2005.
- Completed a client survey with **1,732** respondents.

Appeal Hearings (OSIH)

- Developed web based computer system with several new efficiencies.
- Completed **7,643** fair hearing requests including **391** related to benefits from the emergency food stamp program.
- Completed **269** disqualification hearings for Temporary Assistance for Needy Families or for Food Stamp benefits.
- Completed **217** Nursing Facility discharge/Transfer hearings.
- Processed **2,413** waivers of administrative disqualification hearings.

Note: Specific measurable accomplishments can be found within the text of this report.

Section A: Introduction

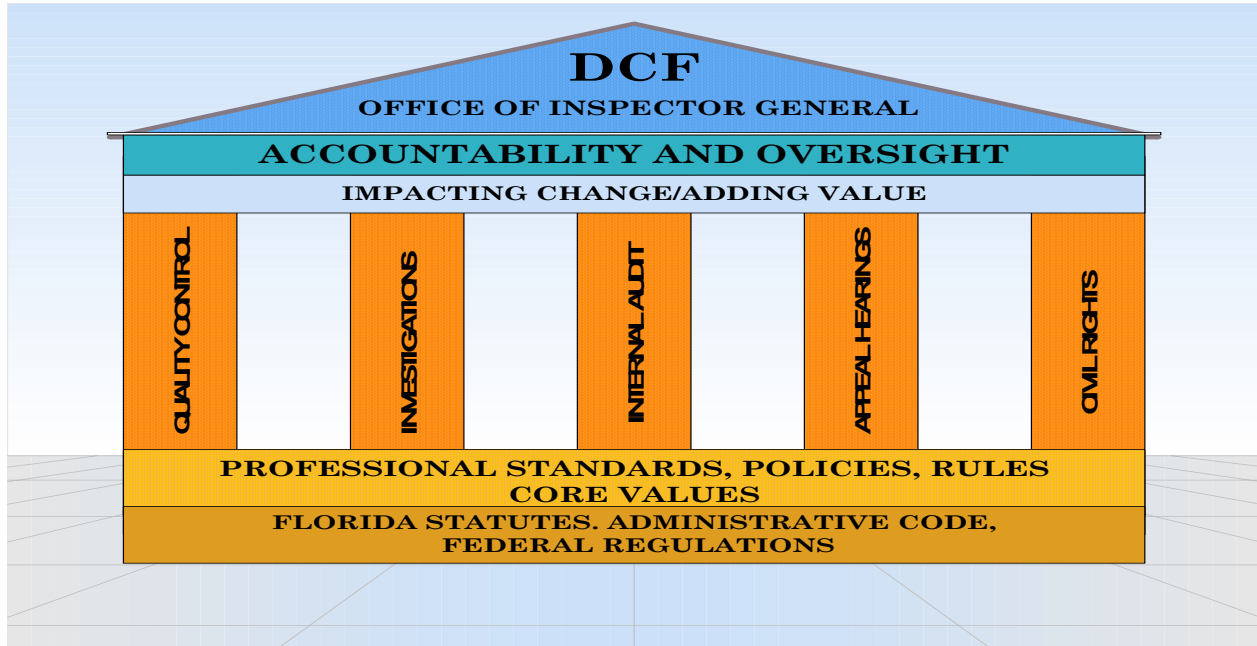


Figure A.1 – OIG Pillars for Enhancing Public Trust in Government

Core Values

The following core values contribute to the OIG foundation:

- **Excellence**: We strive to be an efficient, objective and fact-finding office. We have high expectations for quality and timely work products. We stand committed to improve our performance to benefit our customers and stakeholders.
- **Professionalism and Integrity**: We maintain the independence and impartiality necessary to objectively perform our mission. We accommodate differences of opinion without compromising principle. We practice good citizenship with emphasis on ethics and acceptance of social responsibility.
- **Communication**: We listen to, learn from, and collaborate with our customers, stakeholders and each other. We believe that effective communication, upward, downward and laterally, is of utmost importance to our individual and combined success.
- **Teamwork**: We challenge each other to work cooperatively. Employees at all levels are involved in developing and continually improving work processes.
- **Accountability**: We are committed to serving as highly respected stewards of taxpayer dollars. Constantly bearing in mind that our inquiries may adversely affect people's livelihood, we accept full responsibility for our actions.
- **Agility**: We are flexible and innovative. We readily accept changes that are intended to improve our operations.

Statutory Requirements

This report, as mandated by §20.055, F.S., summarizes the OIG activities for Fiscal Year (FY) 2005-2006.

The Office of Inspector General (OIG) is established in each state agency to provide a central point of coordination and responsibility for promoting and ensuring an enhanced level of accountability, integrity, and efficiency in government relationships with the people it serves. Section (§) 20.055, Florida Statutes (F.S.), requires the Inspector General to be appointed by, report to, and be under the general supervision of the agency head. The OIG is organizationally located within the Office of the Secretary and the Inspector General reports directly to the Secretary.

Section A: Introduction

The OIG is statutorily charged with the following duties and responsibilities:

- Directs, supervises, and coordinates audits, investigations, and management reviews.
- Conducts, supervises, and coordinates activities that promote economy and efficiency and prevent or detect fraud, waste, and abuse.
- Reviews actions taken to improve program performance and makes recommendations for improvement.
- Keeps agency heads informed about fraud, abuses, and deficiencies and recommends corrective measures.
- Ensures effective coordination and cooperation between the Auditor General, Federal auditors, and other governmental entities.
- Reviews rules relating to programs and operations and makes recommendations regarding impact.
- Advises in development of performance measures, standards, and procedures for evaluation of programs.
- Assesses the reliability and validity of information provided on performance measures and standards and makes recommendations as needed.
- Ensures appropriate balance between audit, investigative and other accountability activities.

OIG Staff Members Activities

This office participates in the following organizations:

- National Association of Inspectors' General
- Tallahassee Chapter of the Association of Inspectors General
- Governor's Council on Integrity and Efficiency (GCIE)
- Institute of Internal Auditors (IIA)
- Computer Security Incident Response Team (CSIRT)
- Association of Certified Fraud Examiners
- American Institute of Certified Public Accountants
- Florida Audit Forum
- Audit Directors' Roundtable
- Information Systems Audit and Control Association
- National Association for Program Information and Performance Measurement (NAPIPM)
- National Association of Hearing Officials
- Southeast Evaluation Association

OIG Self-Assessment Activities during FY 2005-2006

To build awareness of the activities of the OIG, Powerpoint presentations with audio narratives are available on the OIG website by section. These presentations orient the employee to all aspects within the OIG.

During the third quarter of the prior fiscal year, the Office of Civil Rights (CR) was transitioned to the OIG. During FY 2005-06, as a new component of the OIG, an assessment of CR processes and procedures was performed. Gaps were found between requirements and practice. Systems are being addressed to concentrate on those gaps and include desktop software that standardizes and facilitates Civil Rights compliance reports.

As addressed in the OIG Strategic plan and as reflected in practice advisories of the International Standards for the Professional Practice of Auditing published by the Institute of Internal Auditors, the Internal Audit (IA) section initiated a web-based "Audit Feedback" survey to assess audit performance from the viewpoint of the auditee. IA is surveying the auditee after each audit report is released.

Section A: Introduction

Office of Inspector General Organizational Chart FY 2005-2006

The OIG is comprised of five sections: Internal and Single Audit, Investigations, Civil Rights, Quality Control and Appeal Hearings, totaling 117 positions. Each section, with the exception of Internal Audit, has field office locations throughout the state. See each respective section for an outline of locations.

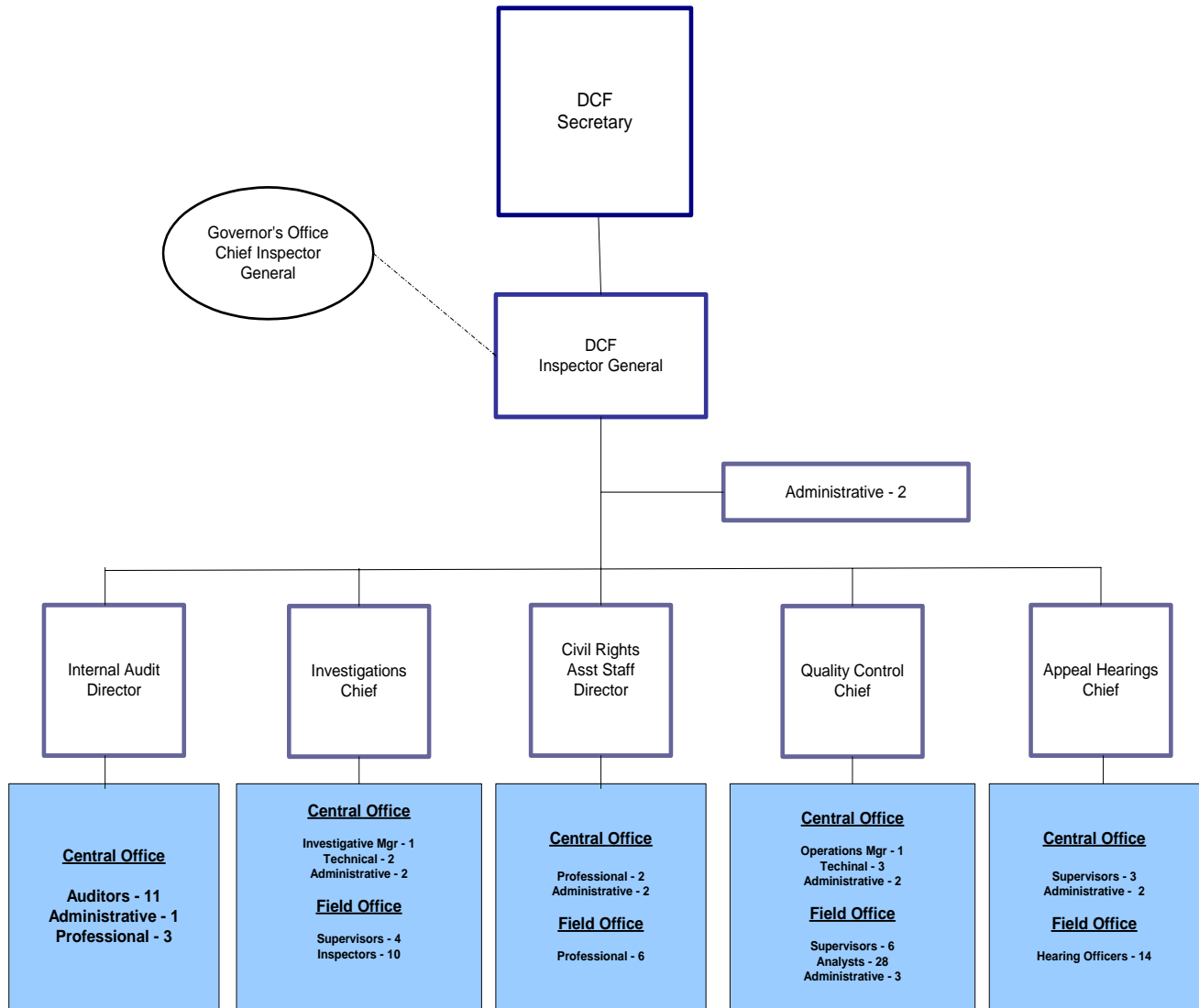


Figure A.2: OIG Organizational Chart of authorized positions for FY2005-2006. Civil Rights joined the OIG July 1, 2005

Section A: Introduction

Where We Are Going in FY 2006-2007

Office of Inspector General– During this fiscal year, the Office of the Inspector General will provide training opportunities to all DCF staff and contractors that will enhance and create an understanding of the high ethical standards that are mandated by the Department Code of Ethics. This training will focus on creating a climate of expectations most specifically for those employees who utilize our databases and those responsible for protecting our clients.

Internal Audit

For this next year, the Internal Audit Office has initiated a two-part internal look at itself. The first phase has been to define IA role within the organization. A graphic representation has been developed showing the authority, process, goals of Internal Audit and its linkage with the mission of the agency. This picture has been distributed to all auditors so they will clearly understand how their individual effort contributes to the success of the agency.

The second phase of our “internal look” is long term. We have begun to assess all the required functions of the office. These requirements, numbering in excess of 125, are set forth in Statute and professional standards, and cover every aspect of daily operations from ethical behavior to communicating results and all activities in between.

Methodology has been established that prioritizes each requirement based on importance and potential for improvement. Based on this ranking a systematic approach has been established to review, evaluate and improve the activities that support the requirement. The two important benefits of this system, in addition to a systematic improvement process, is that it gives management a scorecard showing all requirements and how well the office is addressing those requirements.

Investigations

The office is dedicated in its efforts to prevent case managers from falsifying records and client visits. To accomplish this goal will require a behavioral change in the culture of the case manager. Cases involving criminal violations will continue to be investigated and coordinated with law enforcement agencies to ensure that the involved employees are not only terminated, but prosecuted for their actions. The unit will propose clarifying language to 839.13(2)(a) and 839.13(2)(c), Florida Statutes (falsifying records), which will allow State Attorney Offices to more effectively utilize the statute.

Civil Rights

The Office will continue to operate in a preventative manner through compliance reviews and monitoring of service providers and programs, enhancement of HIPAA and Service Delivery monitoring tools, customer survey's, and Equal Employment Opportunity (EEO) management reviews as needed. We will continue to follow our strategic plan by engaging in positive dialogue with State and Federal agencies that provide guidance. We will also continue to improve process management by incorporating automation and streamlining where possible.

Quality Control

This year Quality Control plans to conduct internal operational reviews of the six IG field offices. During the reviews, each unit's daily operations will be studied and standardized operating procedures will be formulated using the most efficient procedures observed.

QC will add enhancements to the current on-line Food Stamp QC system, including the ability to run various reports. In addition, the web system will be made available to selected Automated Community Connection to Economic Self-Sufficiency (ACCESS) a management staff to allow them access to individual QC cases information more quickly. The web system will be expanded to add Food Stamp

Section A: Introduction

Quality Control – cont'd

negative reviews and the tracking of TANF cases.

A customer survey is being developed to determine the performance of Quality Control in the agency and what improvements are needed. The survey will include how fair, objective, responsive and courteous QC staff are; and to obtain suggestions about how QC could add value to the agency.

All Quality Control reviews will be scanned into the ACCESS Florida system and can be viewed (but not altered) by authorized staff. The benefit of this is twofold: (1) It provides a means of storing and archiving records according to retention policy, in a space-saving environment and; (2) provides an efficient and time-saving method for record access.

Appeal Hearings

The office is proposing changes to both its administrative rules and statutory authorization to update obsolete language and clarify authority to conduct administrative hearings under 120.57(1).

The office's new web system will be made available as read only access to selective department management staff. The system will also be available for the Access Florida data warehouse.

When deployment of the Access Florida file scanning system has been completed, the office will scan all hearing decisions into the Access Florida system. This will allow the district staff direct access to the contents of our file and allow our paper files to be archived or destroyed more quickly.

The office staff is developing an on-line customer survey to evaluate the performance of the office and the knowledge of DCF field staff in the hearing process.

OIG Strategic Plan

Resource stewardship and integrity are two of the objectives in the department's strategic plan. The OIG has created its own strategic plan to implement this objective by identifying and adopting ways it can drive success and add value to the department, outsourced partners, and other stakeholders while performing its statutorily mandated functions. The plan addresses the office in its entirety and designates activities specific to each section.

Objectives, Success Indicators, Strategies and Action Steps

OIG objectives reflect our statutory mandates, vision and mission:

- high ethical and moral standards
- technological advances and opportunities
- lessen liability for the department
- ensure timely and responsive delivery of services
- customer satisfaction.

As a collective unit, we discussed and examined suitable gauges (Success Indicators or SI) to illustrate and address our objectives. For each success indicator, we composed a broad activity statement (Strategy or S). For each strategy, we specified a series of action steps that, if followed, would guide us towards the realization of success.

Figure A.3, on the following page, depicts a table with the outline of the OIG strategic plan. This FY 2005-2006 Annual Report presents the macro level OIG strategic plan.

While OIG objectives apply to all five sections, some sections have identified additional unique success indicators and strategies. As such, these unique success indicators, strategies and action steps have been developed for each section.

Section A: Introduction

Outline of OIG Strategic Plan for FY 2006-2007

OBJECTIVE O-1 HIGH ETHICAL AND MORAL STANDARDS

Success Indicators:

SI-OIG-1

Office is known to be proactive, credible, responsive, impartial, independent, and serves as a mechanism to assist management.

SI-OIG-2

Public awareness of OIG functions or activities increases.

Strategies:

S-OIG-1a

Strengthen the ethical values of the agency through the development and implementation of an on-line mandatory ethical training program for department staff, contractor and provider employees.

S-OIG-1b

Seek opportunities by fostering relationships with DCF employees, outsourced partners, stakeholders, and other agencies; set reasonable constraints for response to provide valuable information timely; maintain independence and impartiality, including perception of such.

S-OIG-2

Plan and perform outreach activities. Increase awareness of the purpose and function of the OIG and its sections to DCF employees, outsourced partners, and stakeholders.

OBJECTIVE O-2 EMPLOY TECHNOLOGICAL ADVANCES AND OPPORTUNITIES

Success Indicator:

SI-OIG-3

Office has current, accessible web-based systems and record keeping systems.

Strategy:

S-OIG-3

Modernize database and record keeping systems; develop/implement web-based systems that are updated on a regular basis and include presentations to explain functions by section.

OBJECTIVE O-3 LESSEN LIABILITY FOR THE DEPARTMENT

Success Indicators:

SI-OIG-4

Office staff are qualified, certified where appropriate, and in compliance with approved federal and national standards.

SI-OIG-5

Office produces well-written, reliable and supported work products.

Strategies:

S-OIG-4

Recruit talented, diverse and capable staff, offer dynamic and useful training, provide appropriate work tools, and have reasonable and applicable performance standards that motivate staff to excellence.

S-OIG-5

Establish quality assurance activities for work products and staff.

Section A: Introduction

OBJECTIVE 0-4 ENSURE TIMELY AND RESPONSIVE DELIVERY OF SERVICES

Success Indicator:

SI-OIG-6

Office meets requirements for timeliness.

Strategy:

S-OIG-6

Establish and monitor milestone dates for Investigations, Audits, Quality Control data reports, Appeal Hearings, and Civil Rights activities.

OBJECTIVE 0-5 CUSTOMER SATISFACTION

Success Indicator:

SI-OIG-7

Products meet the needs of the customer.

Strategy:

S-OIG-7a

Develop and execute surveys to obtain feedback from customers.

S-OIG-7b

Review and improve the design of the Department Inspector General's web sites on both the internet and the intranet. Develop web pages that are informative, easily read and effectively direct the customer to the desired information with minimum effort.

Figure A.3: Outline of OIG Strategic Plan

See Appendix III for OIG worksheets for the Strategic Plan.

Section B: Internal and Single Audit

THE INTERNAL AUDIT PROCESS

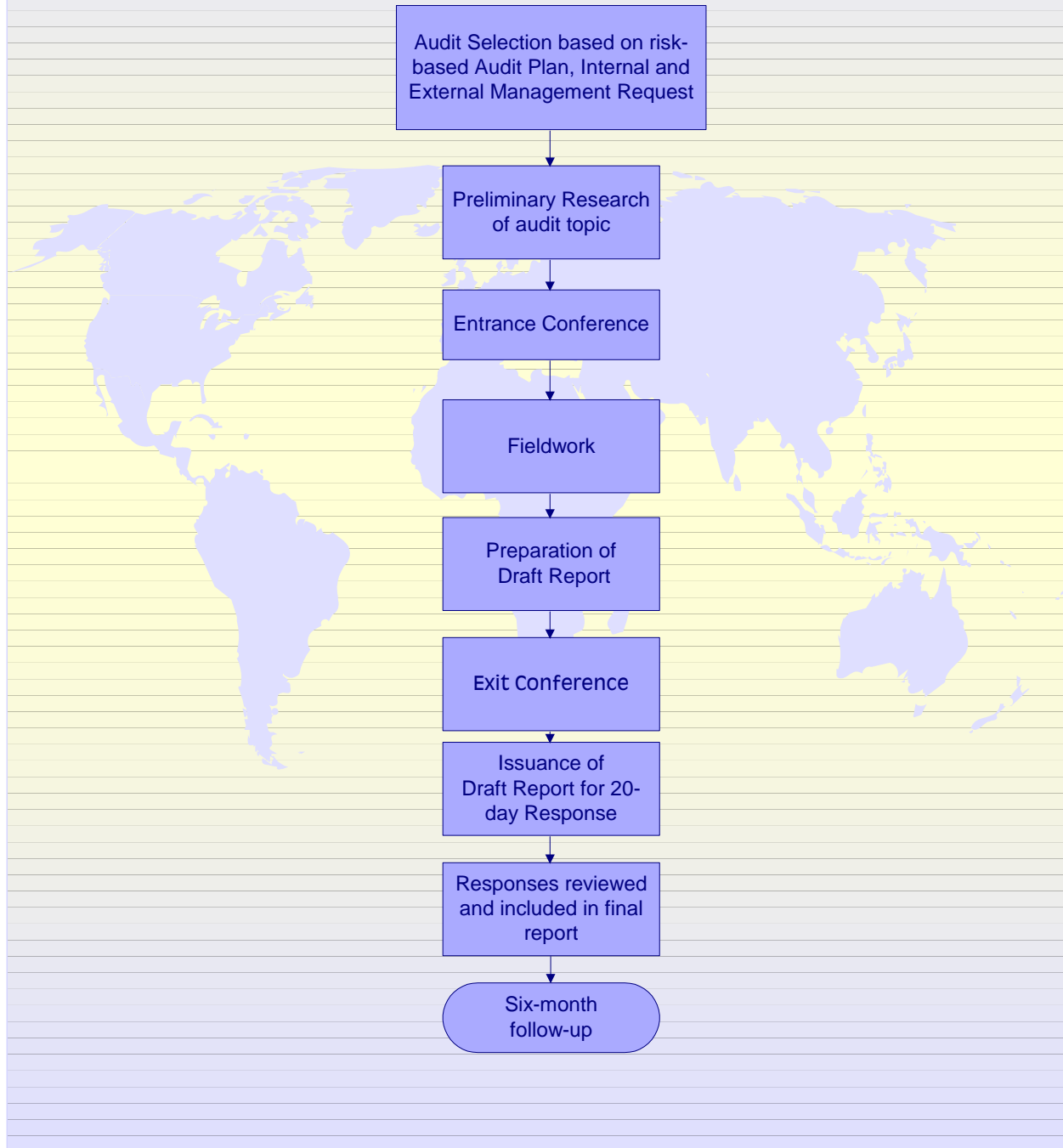


Figure B.1: Office of Inspector General, Internal Audit Process

Section B: Internal and Single Audit

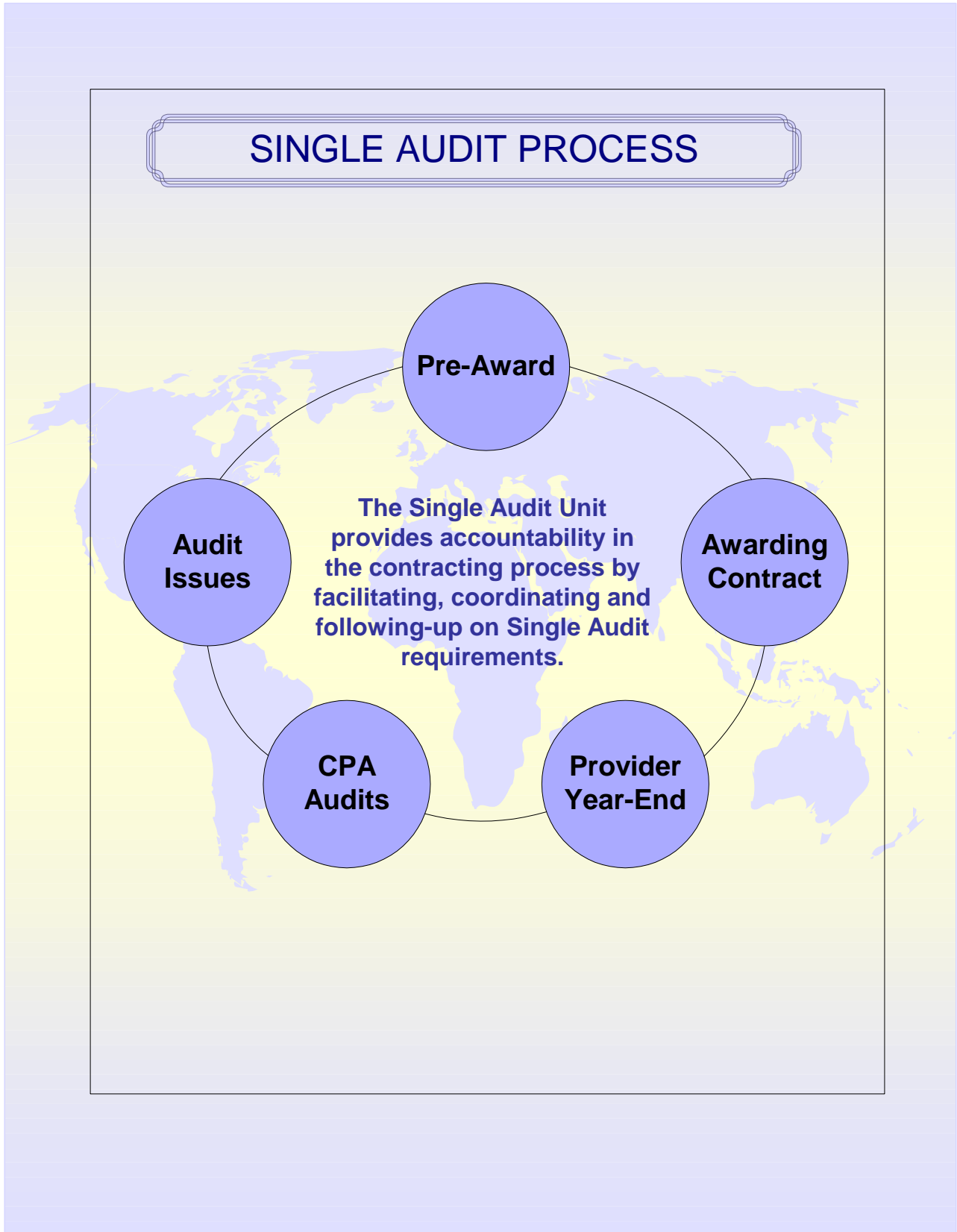


Figure B.2: Office of Inspector General, Single Audit Process

Section B: Internal and Single Audit

Internal Audit, (OSIA) as authorized by §20.055, F.S., encompasses the examination and evaluation of the adequacy and effectiveness of the organization's system of internal controls and the quality of performance. To achieve this mandate, internal auditors ensure:

- ◆ Reliability and integrity of financial and operational information.
- ◆ Compliance with laws, regulations, and contracts.
- ◆ Safeguarding of assets.
- ◆ Resources are employed with economy and efficiency.
- ◆ Established objectives and goals for operations or programs are accomplished.

The Office of Internal Audit (IA) performs the following activities:

- ◆ Conducts performance, compliance, financial, contract, and information systems audits.
- ◆ Provides consulting services relating to program operations and assesses the reliability and validity of program performance measures.
- ◆ Prepares a department-wide Risk Assessment and Annual Audit Plan.
- ◆ Coordinates all Department responses to external audits and tracks corrective actions through resolution.
- ◆ Conducts ad hoc assignments from management, Auditor General, Legislature, Federal Auditors, and the Chief Inspector General.

Internal Audit Staff

During FY 2005-2006, the office had eleven full-time internal audit positions located in Tallahassee, which included a Director of Auditing, nine auditors, and one administrative staff support.

Staff members hold the following certifications: Certified Internal Auditor, Certified Government Auditing Professional, Certified Information Systems Auditor, Certified Public Accountant, and Certified Inspector General.

All auditors are members of the Institute of Internal Auditors. Staff also participated in various professional organizations and attended training seminars to comply with the continuing

education requirements of Government Auditing Standards (at least 80 hours continuing education training every two years) and Standards for the Professional Practice of Internal Auditing.

Internal Audits Completed

Audits and consulting projects are conducted in accordance with the International Standards for the Professional Practice of Internal Auditing. Audits completed during FY 2005-2006 were based on requests by management, topics identified during prior audits and investigations, and statutory requirements. A total of twenty three, audits (**18**) and consulting projects (**5**), were completed during FY 2005-2006 and they identified \$2,247,146 in questioned costs, duplicate billings, and ineligible costs.

Figure B.3 shows a breakdown of audits and/or consulting projects completed over the past seven years.

Figure B.4 depicts the program areas covered by the 23 audits and consulting projects completed over the past year. Audit and project activity by project number and by program office was measured, tracked, and documented through time logs completed by staff throughout the fiscal year.

Figure B.5 illustrates the origin of audits and/or consulting projects completed in FY 2005-2006. The origin refers to the requestor of the audit or consulting project. Nine audits and three consulting projects were requested by DCF management. One audit was statutorily mandated and four audits were noted in the Audit Plan. Topics addressed by four audits and two consulting projects were identified by OIG staff.

Contract Oversight Unit

The Contract Oversight Unit (COU) transitioned to the Office of Quality Management within the Office of the Secretary as of October 1, 2005. During the nine months that the COU was administratively contained within the OIG, more than 100 monitoring reports were issued as drafts to management for response. The OIG continued to assist the COU through December 31, 2005 with the review, revision and completion of a total of 114 final monitoring reports.

Section B: Internal and Single Audit

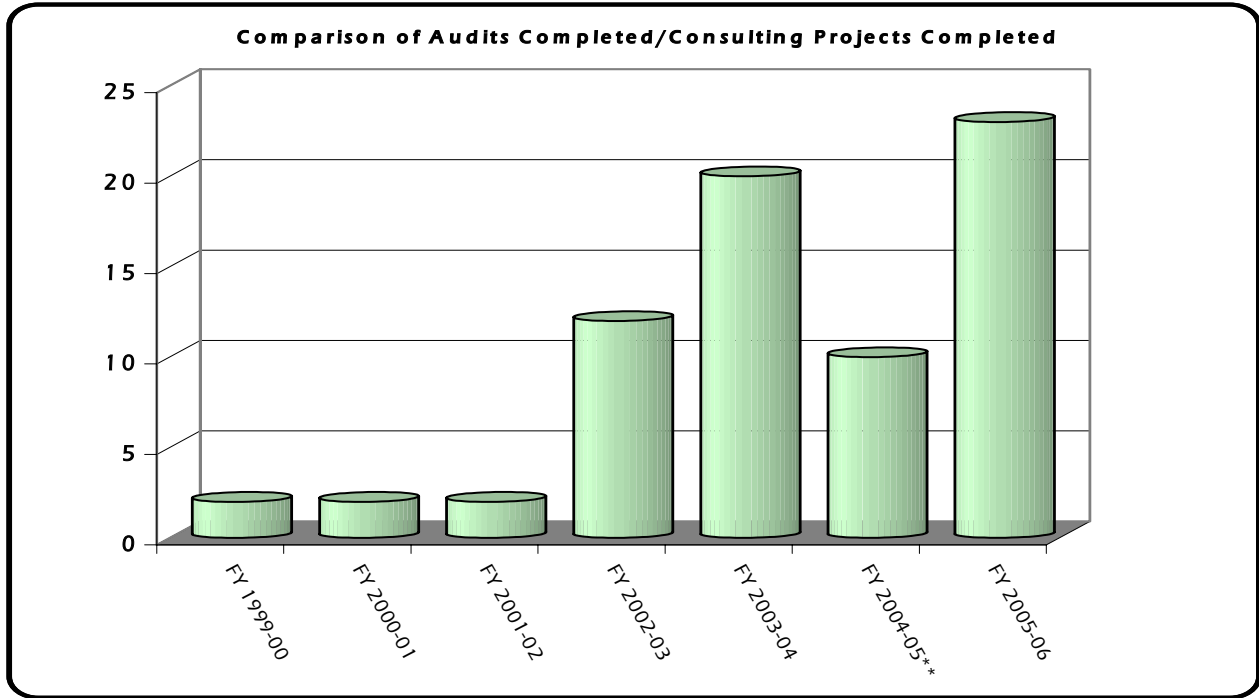
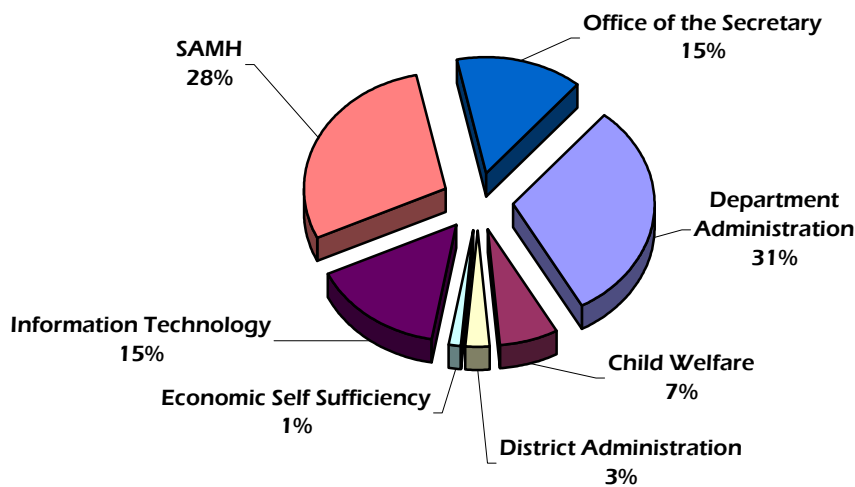


Figure B.3: Shows a comparison of audits completed since FY 1999-2006.

** During FY 2004-2005, audit resources were diverted towards implementation of the Contract Oversight Unit. While under the OIG, the Contract Oversight Unit published 114 monitoring reports.

Workload Distribution by Program Area FY 2005-2006



Department Administration describes projects or activities related to the Offices of Administrative Services Support, Contracted Client Services, Financial Management and General Services.

Figure B.4: Shows audit coverage provided to the Department by program area for the 23 completed audits and consulting projects.

Section B: Internal and Single Audit

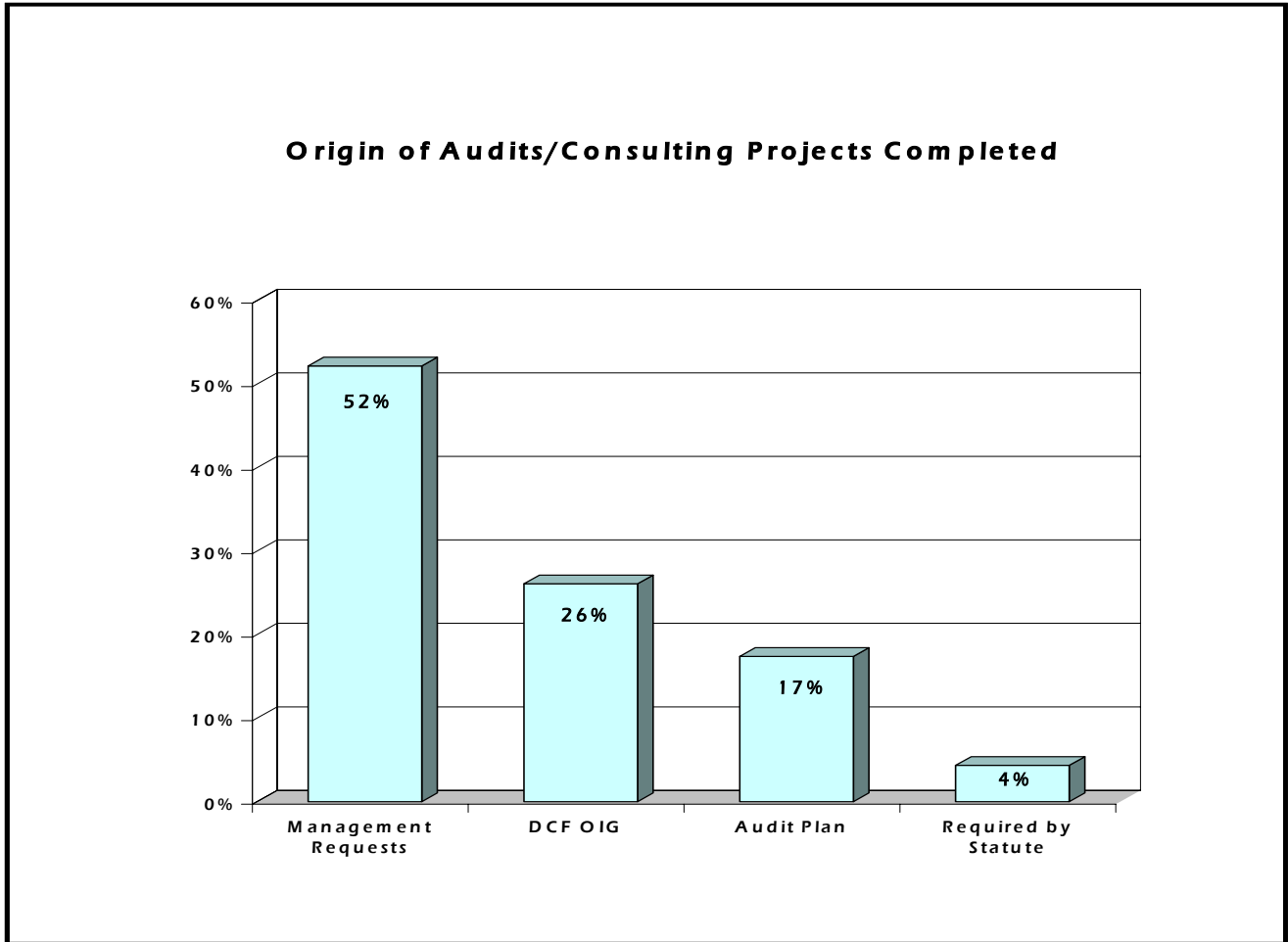


Figure B.5:

Shows the origin, or the requestor of the audits or consulting projects, for the 23 Audits/Consulting Projects completed during FY 2005-2006.

Section B: Internal and Single Audit

Internal Audit (IA) Highlights

The following summarizes significant audits issued during the fiscal year. All audits issued during FY 2005-2006 may be viewed in their entirety at: http://www.dcf.state.fl.us/admin/ig/pubs_ia.shtml

As Secretary Hadi stated in the June 2006 DCF newsletter (DCFlash), there can be no "striving for the status quo" in an organization like ours that has committed to a continuous quest for quality. Many audits are conducted in response to critical concerns raised internally by various program officials and serve as part of the Secretary's current restructuring and reform initiatives related to program operations.

One important audit covered issues surrounding departmental use of Settlement Agreements and another audit studied the Substance Abuse Services' licensure processes.

Excessive Use of Settlement Agreements is Adversely Affecting the Department (A-13-0506-001). The audit objective was to significantly reduce the frequency of services being rendered without the benefit of a contract as DCF operating procedure does not authorize entering into a settlement agreement "in lieu" of a contractual agreement.

Department data indicated that agency personnel have used settlement agreements for a variety of reasons, such as obtaining additional services not included in the original contract and settling lawsuits. However, the department negotiated 75 settlement agreements to pay debts that resulted in a total department expenditure of approximately \$2.8 million during FY 2004-2005.

The audit determined that excessive use of settlement agreements is adversely affecting the agency, including discouraging service providers from doing business with the department. This excessive use of settlement agreements was due to a combination of factors, including inadequate agency policy and a lack of awareness of agency procedure. These factors could be minimized by improving the accountability, efficiency, training and internal controls of the agency's procurement and contract review process.

IA made recommendations to minimize the use of settlement agreements for the purpose of establishing service for non-emergency situations. Management concurred with the recommendations and indicated that appropriate corrective action was being taken.

Revisions to Substance Abuse Services' Licensure Process Needed to Improve Efficiency and Establish Accountability (A-07-2004-025). The objective of this audit was to identify and put into perspective internal control and other issues associated with the Substance Abuse (SA) licensure process, including the collection of and accounting for licensing fees.

IA determined that the current SA licensure process: (1) lacks a single department-wide system for controlling and tracking the issuance of licenses, as well as collecting and accounting for licensing fees; (2) does not ensure that all fees due are collected and accounted for; and, (3) has not maximized the potential for license fees to support licensing activities.

IA recommendations included: (1) formation of a team to explore technology options and implementation of a single department-wide automated licensure system; and (2) ensuring that SA Program budget staff are active participants in the Office of Revenue Management's trust fund analysis project, with the goal of maximizing the potential for license fees to support the program's licensing activities.

Management of the SA Program Office concurred with all findings and recommendations, and will take appropriate corrective actions, including taking the lead on assembling a team to develop a licensure database and financial tracking system.

A series of audits were conducted on Client and Welfare Trust Funds. The Director of Financial Management expressed concerns related to DCF districts/zones and CBC lead agency providers or sub-contractors maintaining client trust funds on behalf of DCF clients with limited oversight, assurance or accountability.

Under §402.17, F.S., the department remains responsible, as trustee, to ensure money held in trust and administered for our clients remain

Section B: Internal and Single Audit

properly safeguarded for the personal benefit of those clients.

Three audits were released as of June 30, 2006 to determine whether the department: has taken the necessary and appropriate safeguards to protect client funds maintained in District Client and Welfare Trust Funds; ensures reliability of financial records; maximizes fee collections; and meets its fiduciary responsibilities. In all three audits, management concurred with the findings and recommendations.

An additional audit was conducted to determine whether client trust funds were properly administered by a Community-based Care lead agency. The audit concluded that the funds were maintained as required and no management response was required.

Client Trust Funds Administered by Substance Abuse and Mental Health Providers (A-07-2004-017). This audit reviewed specific findings and comments of an investigative follow-up conducted by Contracted Client Services related to contract KH887 with New Horizons Community Mental Health Center, Inc. (New Horizons), and to determine whether systemic weaknesses exist in the administration of client trust funds by Substance Abuse and Mental Health (SAMH) providers.

The department's oversight and monitoring of client trust funds that SAMH providers administer is inadequate. IA noted numerous weaknesses that indicated the need for strengthening internal control and monitoring activities related to these client trust funds.

IA made recommendations to ensure appropriate oversight and monitoring of client trust funds. Management concurred with the recommendations and is taking appropriate corrective action to include collaboration with the Office of Quality Assurance to revise the contract monitoring tool, to review alternative payment methodologies to move away from unit cost contracting, and to form a task force to review the co-payment amount for residential treatment services.

Client and Welfare Trust Funds Administered by District 13 (A-18-0506-036). This audit disclosed that District staff have taken appropriate measures to protect client funds,

and IA found the financial records, with few exceptions, to be accurate and reliable. District staff were commended for the improvements made from prior audits.

IA made recommendations to improve the timely reconciliation of client trust funds and to research an open reconciling item. Management concurred and took immediate action. A district position was designated to assure timely reconciliation of client trust funds and a review of account activity was underway to ensure current records reflect account activity.

Internal Controls over Client Trust Funds Administered by Northeast Florida State Hospital Need Improvement (A-18-0506-050)

While documentation was properly maintained and staff was commended, the audit discussed concerns with weaknesses in the internal control structure associated with the trust funds such as the unlimited access to the home-grown banking system at the Mirage Bank on the Institution's grounds. Monthly reconciliation of the accounts also needed to be timely.

IA made recommendations to limit access to the banking system, for the renewed segregation of duties to ensure adequate controls, to encourage periodic independent reviews, the use of restricted endorsements and pre-numbered cash deposit tickets, and two keys for the locking bank deposit bag.

Management concurred with recommendations and immediately implemented procedural changes. Numerous controls were put into place such as limitation of access to a new banking system, renewed segregation of duties, pre-numbered cash deposit slips and restricted endorsements, as well as the use of Seal Press and Cloth Coin bags.

Client Trust Fund District 1 Lakeview Center, Inc., Community-based Care Lead Agency, Job Well Done (A-05-0607-018).

This audit represented the first review of client trust funds administered by a Community-based Care lead agency since the department transitioned trust fund responsibilities to CBC Partners.

The purpose of the audit was to determine whether Lakeview, District 1's lead Community-based Care agency, had taken the necessary and appropriate safeguards to protect client

Section B: Internal and Single Audit

funds; ensure reliability of financial records; and met its fiduciary responsibilities. IA tested the internal control structure; cash receipts and disbursements; cost of care calculations and remittance; subsidiary client ledgers; the bank reconciliation process; and security over check stock and check signing equipment.

IA found that controls were effective and documentation was accurate, complete, properly cross-referenced, with an easy to follow audit trail. There were no reportable exceptions and no management response was required.

See Section G: Appendix I for a list and summary of Internal Audits issued during FY 2005-2006.

Follow-up Reports

The Internal Audit section also conducted follow-ups on 7 status reports to external audits. Follow-up activities included determining corrective action taken for audits such as six-month and eighteen-month status reports.

See Section G: Appendix I for a list of Follow-up Audits completed during FY 2005-2006.

Coordination with External Auditors

The Office of Internal Audit is responsible for coordination of efforts with the Office of the Auditor General (AG), Office of Program Policy Analysis and Government Accountability (OPPAGA), and Federal agencies such as the United States Departments of Health and Human Services, and Agriculture. During FY 2005-2006 the Internal Audit section coordinated the department's responses to 16 external audit reports requiring response and conducted 53 liaison activities by:

- ◆ Participating in audit entrance and exit conferences.
- ◆ Coordinating, reviewing, and preparing responses to audit recommendations for the Secretary's signature.
- ◆ Monitoring corrective action plans.
- ◆ Preparing six-month and 18-month status reports.

- ◆ Preparing the annual Summary Schedule of Prior Audit Findings.
- ◆ Preparing the annual Report of Major Audit findings and Recommendations for Legislative Budget Issues.
- ◆ Preparing the annual US Department of Health and Human Services Audit Resolution status report.

See Section G: Appendix I for a list of External Audits issued during FY 2005-2006.

Single Audit Unit

The Single Audit unit (SAU) has three full-time positions in Tallahassee which include two Certified Public Accountants, and one Certified Internal Auditor.

The mission of the SAU is to ensure that the department complies with both State and Federal single audit requirements. A single audit is a financial and compliance audit of an organization performed by an independent auditor (usually a Certified Public Accountant firm). The single audit will include the independent auditor's opinion on the entity's compliance with the requirements for the major state projects and/or major federal programs.

Single Audit Requirements are found in the following laws and regulations:

- Federal Single Audit Act of 1984, as amended;
- Office of Management and Budget Circular A-133;
- Florida Single Audit Act, Chapter 215.97, Florida Statutes;
- Rules of the Auditor General, Chapters 10.550 & 10.650;
- Chapter 27D-1, Florida Administrative Code (FAC), Governor's Rules; and,
- Chapter 69I-5, FAC, Department of Financial Services

The SAU reviews all single audit reports received by the department and notifies district personnel of SAU review findings and follow-up actions required of the department. The contract provider and independent auditor are also notified of reporting deficiencies found in the SAU review.

Section B: Internal and Single Audit

During FY 2005-2006 the SAU reviewed and processed **342** A-133 and other CPA audit reports.

The SAU maintains the web-based Post Award Notice application, which is used by contract managers to notify contract providers of their state and federal funding and single audit requirements.

Upon request, the SAU sends payment confirmations to the independent auditor with the federal program and state project detail necessary to perform a single audit.

The SAU sends delinquent and overdue notices for single audits not received from contract providers within the contractual and statutory deadline for audit submission.

The SAU provides technical assistance to contract managers and other district personnel regarding single audits, and maintains a web-based database for all single audit activity relating to Department contracts.

The SAU assists in recording new DCF state projects, and related compliance supplements for the independent auditors.

Both Internal Audit and Single Audit Unit assisted in processing 114 contract oversight reports covering 236 records and identified \$607,267 in questioned costs.

Strategic Goal Accomplishments

The Office of Internal Audit's Strategic Plan spells out major initiatives and activities for the unit. The methodology used to accomplish these strategies is based on the alignment of the strategic action steps with individual staff member's daily activity. This alignment is accomplished through the use of the annual Employee Performance Evaluation. There are ten employee performance expectations that specifically impact strategic initiatives. One expectation details the number of training hours and other professional activities necessary to achieve a high performance rating. This performance expectation relates directly to an item in the strategic plan that establishes a

priority for continuing education and professional development.

Another critical strategic initiative is the use and enhancement of the OIG web-based systems. This year OIA expanded the Integrated Internal Audit Management System (IIAMS) to include extensive standard and customized reporting options. This has facilitated and expedited quarterly and annual reporting requirements.

Addressing the public awareness initiative within the Strategic Plan, OIA developed web-based audio Powerpoint presentations for each OIG unit. This provides customers and stakeholders with a synopsis of all OIG activities.

To measure customer satisfaction, OIA deployed an automated feedback survey that is easy to use and compiles customer evaluations. This methodology has been adopted by other OIG units.

Section C: Investigations

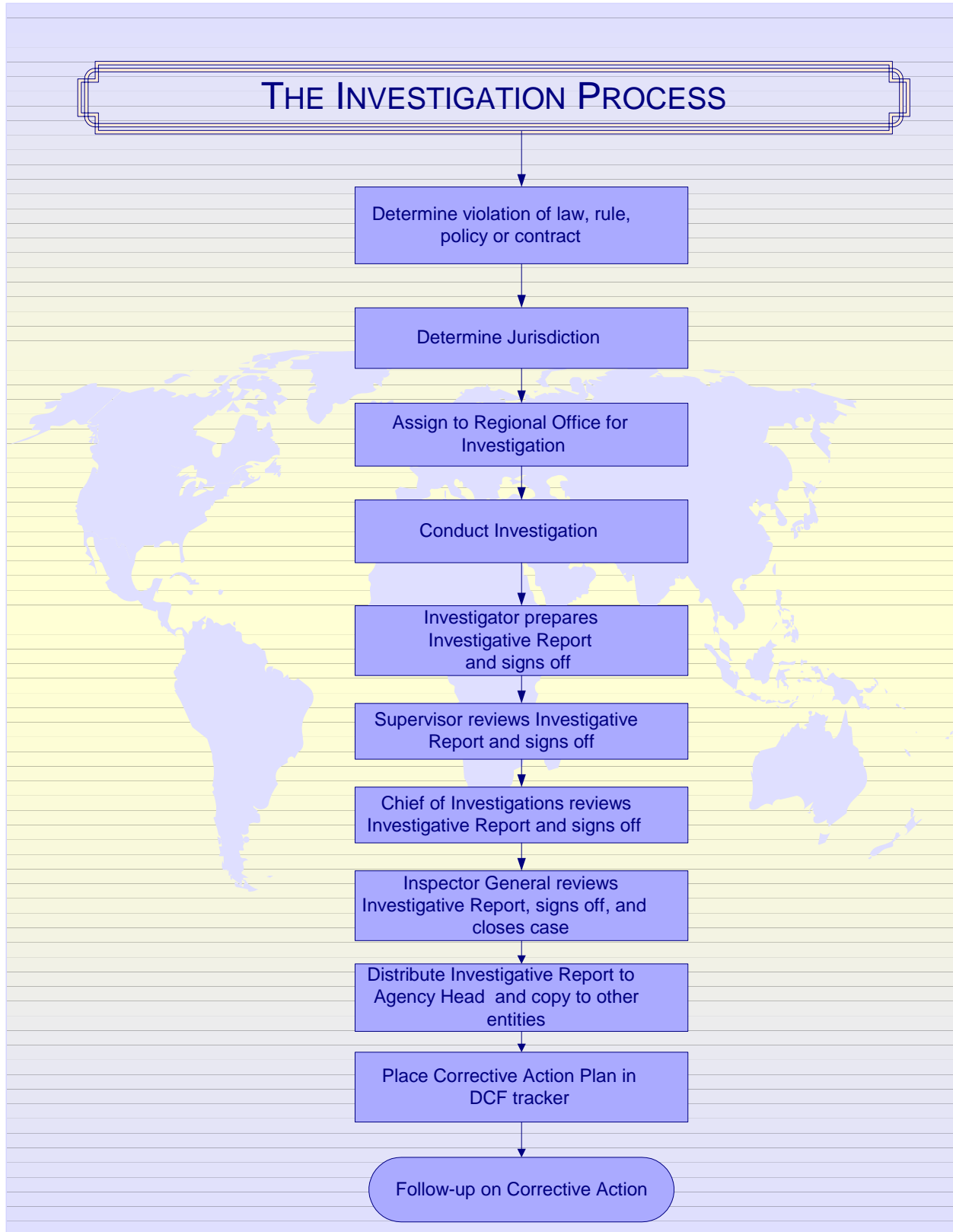


Figure C.1: Office of Inspector General, Investigations Process

Section C: Investigations

Investigations (OSII) receives and considers complaints, including those filed under the Whistle-blower's Act, and initiates and coordinates inquiries, management reviews and investigations. Complaints are received from a variety of sources, including:

- Members of the General Public;
- Current and former DCF employees;
- Current and former employees of DCF contracted agencies;
- Parents, including adoptive and foster parents;
- Members of specialty advocacy groups;
- Florida Legislators and their staff;
- Office of the Governor;

- Members of law enforcement agencies;
- Other state agencies.

Complaints received by this section entail a variety of programs and issues.

Management reviews are conducted when there is a systematic issue not focused on an individual subject.

The following chart provides a breakdown of investigations/management reviews conducted during Fiscal Year 2005-2006 by program area.

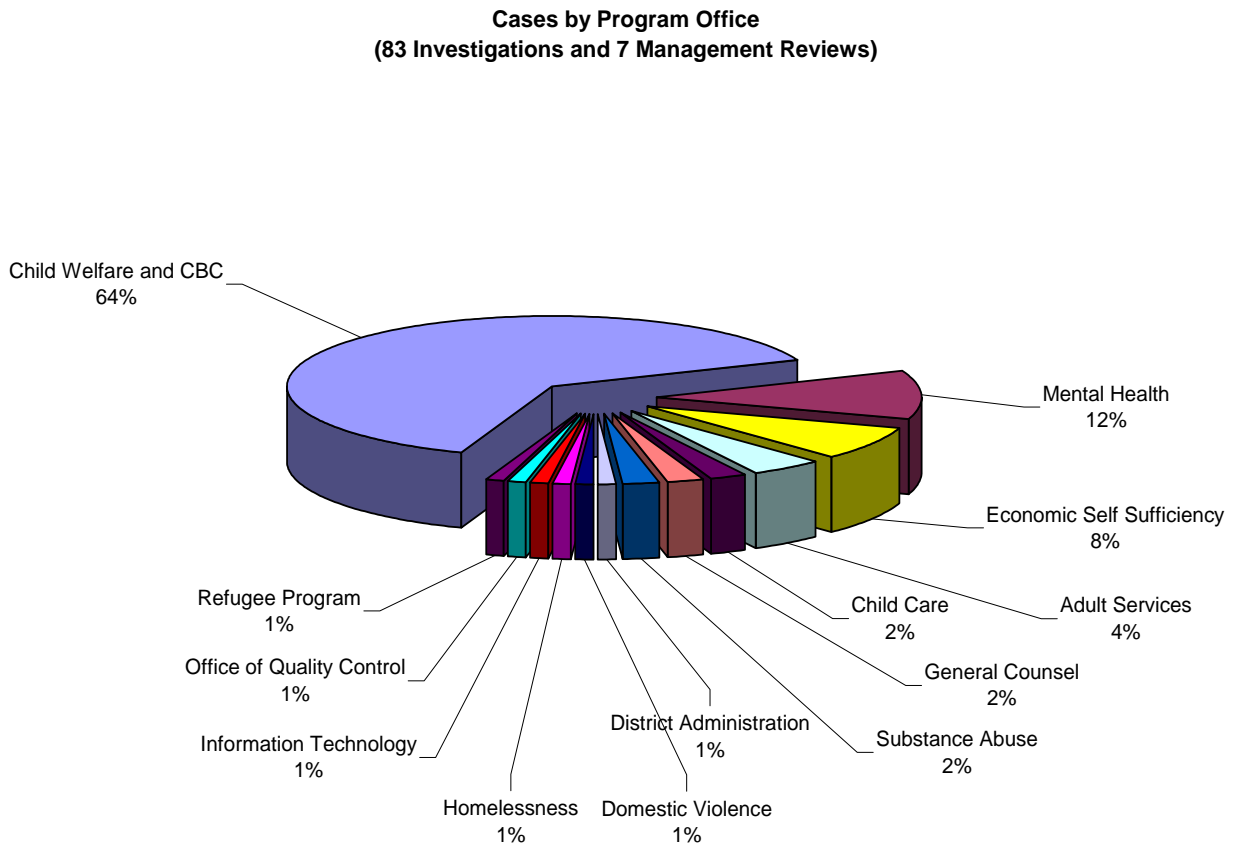


Figure C.2: Investigations and Management Reviews by Program Area During Fiscal Year 2005-2006.

Section C: Investigations

Allegation Types Investigated

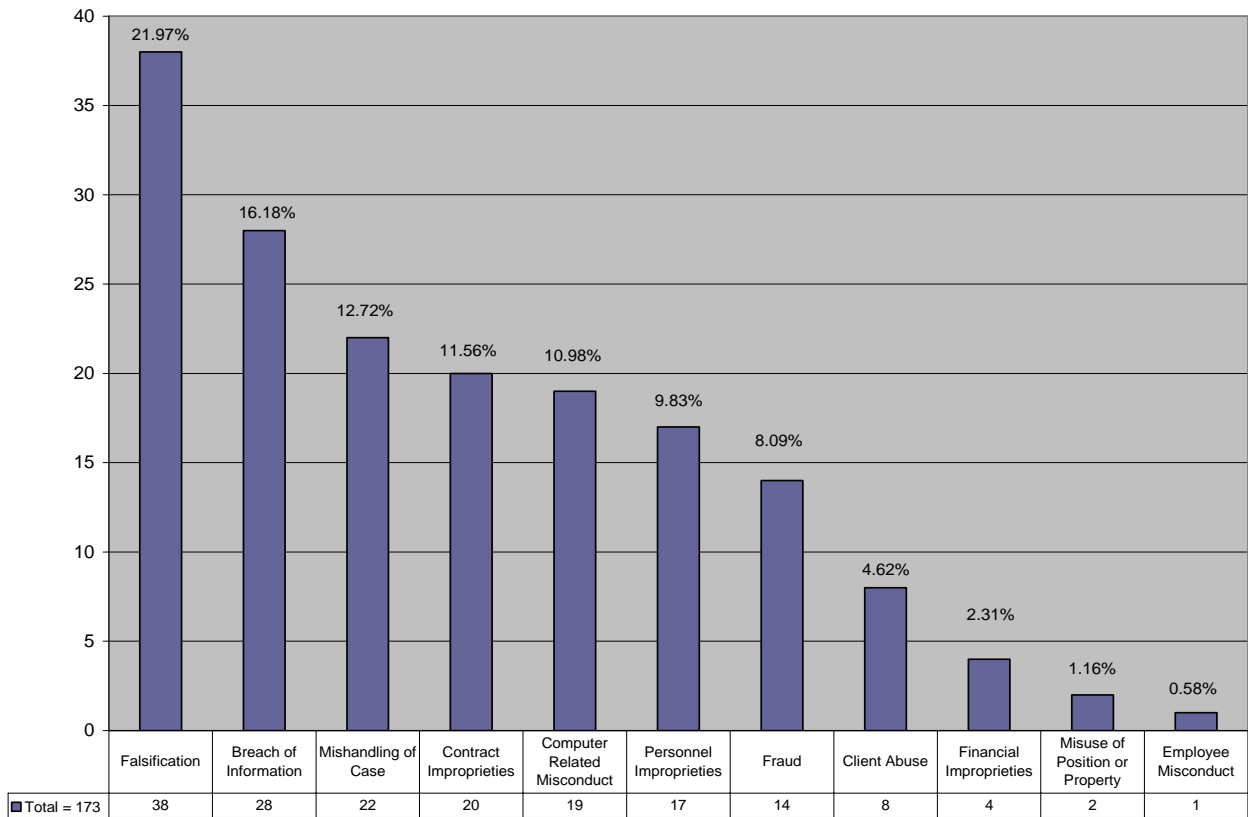


Figure C.3: Types of Allegations Investigated During Fiscal Year 2005-2006

Notable Investigative Facts:

- **60%** of all investigations closed during the current fiscal year resulted in **supported** findings.
- **10** individuals received Whistle-blower (WB) status resulting in **8** investigations.
- **40%** of completed investigations involved law enforcement and/or State Attorney coordination due to possible criminal violations.
- Administrative investigations (excluding WB) were completed on average **68** days.

While the cases handled by OSII are typically administrative, criminal violations are often discovered during the investigative process. When a determination has been made that the subject of an investigation has committed a criminal violation, those findings are coordinated with local law enforcement agencies or the Florida Department of Law Enforcement (FDLE) for criminal investigation, or are referred directly to the State Attorney's Office for prosecution. Below is a table (Figure C.4) showing the districts where the incidents took place that resulted in referrals to law enforcement agencies.

Law Enforcement Referrals By District

District	SC	7	9	12	3	8	10	11	13	4	14	15
35 Subjects Referred to Law Enforcement Agencies	8	7	4	3	2	2	2	2	2	1	1	1

Figure C.4: Subjects Referred to Law Enforcement Agencies by District During Fiscal Year 2005-2006. (SC = Suncoast Region)

Section C: Investigations

During Fiscal Year 2005-2006, of the **35** subjects referred to law enforcement agencies, **22** (63%) were department employees while **13** (37%) were provider employees. Results of the referrals were as follows:

- Criminal charges have been filed on 6 subjects.
- Criminal charges were not pursued for 14 subjects.
- There are 15 subjects currently either with law enforcement or pending prosecution decision with the State Attorney's Office.

The following is a chart illustrating 32 cases involving 35 subjects investigated and referred by OSII for criminal investigation and/or prosecution by allegation type (percentage).

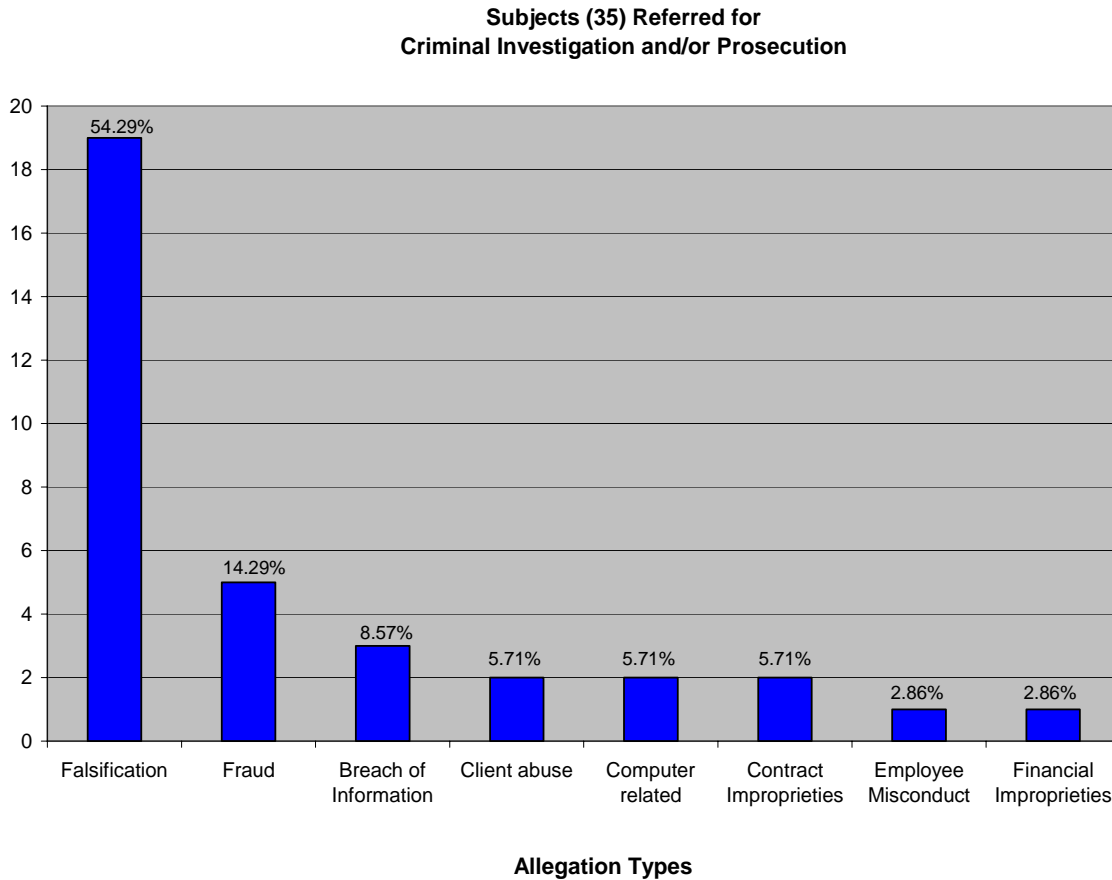


Figure C.5: Subjects Referred for Criminal Investigation and/or Prosecution - Fiscal Year 2005-2006

Public Records Requests, Reference Checks & Arrest Notifications

OSII receives and responds to public records requests. In accordance with Chapter 119, Florida Statutes, OSII investigations and complaint correspondence are public record. Requests are received from the media, other state agencies, contract provider agencies, attorneys, and members of the general public.

During Fiscal Year 2005-2006, OSII responded to **201** requests for public records. Due to the confidential nature of much of the information contained in an OSII investigation, particularly as it pertains to child safety and welfare, each public record must be reviewed and redacted (removal of confidential information) before the record can be released. In addition to public records requests, OSII performed **90** redaction reviews of closed cases.

Section C: Investigations

OSII provides personnel reference checks regarding department employees who have been involved in an OIG investigation and are being considered for re-hire, transfer, promotion, or demotion. In Fiscal Year 2005-2006, OSII responded to **2,722** employee reference checks. OSII is responsible for receiving employee Arrest Notifications for Department employees. During Fiscal Year 2005-2006, **114** Arrest/Incident Notifications were received.

Database Tracking System

OSII currently maintains a web-based database with a multitude of functions. The database logs and tracks all correspondences received, assigned investigations, management reviews, public records requests, arrest notifications of department employees, and reference checks for department and provider employees.

Beginning in January 2006, OSII initiated a project to make significant improvements to the existing database. These improvements will assist Investigations (OSII) as follows:

- “Paperless” improvements that will eliminate cumbersome files, thus greatly decreasing the expense and waste associated with paper files.
- Comprehensive tracking of recommended corrective actions and their implementation.
- Improvement in tracking cases worked with federal, state, and local law enforcement and prosecutorial agencies.
- Modernized system of indexing and cross-referencing evidence and testimony with investigative reports.
- Allow for detailed analysis of case, allegation, and complaint trends.
- Increasing the ability of staff to gather and analyze statistical information.
- Increased efficiency of supervisory staff associated with the investigative review and approval process.

The completion date for this project is scheduled for October 2006.

Strategic Goal Accomplishments

Inspector General’s Advisory forms were created in an effort to increase awareness of the functions performed by OSII and educate department and contract provider employees with respect to potential violations of law, rule, or policy. These advisories are sent to management with a recommendation for employees and supervisors to sign. Issues that have been addressed include such topics as accessing computer systems or networks without authorization and falsification of official records.

For the purpose of fostering relationships, OSII began conducting meetings with District Administrators and Executive Directors of provider agencies. In addition, management is credited in the report for reporting incidents to our office.

Extensive revisions are being made to the database tracking system currently utilized by OSII staff. The new database model will allow for significant improvements including increased efficiency, a “paperless” system, better analysis of statistical data, and more effective tracking of cases worked with federal, state, and local law enforcement agencies. This database is scheduled for implementation during October 2006.

Recommended Corrective Action Plan

A crucial element of every investigation is the Corrective Action Plan (CAP). Recommended CAPs are developed throughout each investigation and management review. With the exception of Whistle-blower cases, prior to the release of an investigation when immediate action is deemed necessary (health, safety and/or risk), the appropriate manager will be notified and any corrective action taken will be reported in the final report.

The final report summary is forwarded to the appropriate Executive Leader with a copy of the recommended CAP. A 30-day response is requested through DCF Tracker. During the Fiscal Year 2005-2006, a total of **62** CAPs were recommended with a timely response received on **47 (76%)**.

Section C: Investigations

CASES OF INTEREST

2006-0013 - Financial Improprieties: An Economic Self-Sufficiency Specialist received unauthorized gifts and monetary compensation for providing client information to two HMO representatives. After a joint investigation with the Office of Attorney General's Medicaid Fraud Control Unit, it was determined that the employee received free meals and cash payments totaling \$800 from the HMO representatives in return for information regarding approval of benefits for clients entitled to both Medicare and Medicaid (dual-eligibility) over a six-month period. During the investigation, the employee verified the information provided by the HMO representatives and resigned his position. The subject employee was subsequently arrested and is pending prosecution by the State Attorney's Office on charges of Unlawful Compensation for Official Behavior under 838.016(1), F.S.

2006-0019 - Public Assistance Fraud: A Suncoast Region Economic Self-Sufficiency Specialist fraudulently generated cash payments for personal gain. Investigation revealed that the employee authorized TANF cash payments in the amount of \$18,682 to an EBT card in the employee's possession, using the Economic Self-Sufficiency Supervisor's USER ID and password. The subject employee resigned subsequent to the initiation of this investigation. This investigation was coordinated with the Florida Department of Law Enforcement and was forwarded to the State Attorney's Office for consideration of prosecution.

2005-0085 - Falsification of Records: A Child Protective Investigator (CPI) falsified information during the course of a child abuse investigation. During the OIG investigation, it was revealed that the subject employee falsified meetings with the child victim, the child's parents, and a neighbor of that family. The CPI had documented home visits at an address occupied by another family and with a neighbor at an address that did not exist. This investigation was coordinated with the Florida Department of Law Enforcement. The subject employee was subsequently arrested and was charged by the State Attorney's Office with one count of Falsification of Official Records under 839.13(2)(c), F.S. and one count of Perjury In Official Proceedings under 837.02(1), F.S. The subject employee pled guilty to both charges,

was sentenced to time served, one year probation, and 50 hours of community service.

2005-0058-WB – Personnel Improprieties: During this Whistle-blower investigation, it was determined that a Family Services Counselor Supervisor (FSCS) became involved in three child protective investigations concerning personal acquaintances. Investigation also revealed that the department employee had authorized childcare services in the amount of \$1,760.80 for a family not entitled to such benefits. A local law enforcement agency accepted the case for investigation of Uttering a Forged Instrument and possible referral to the State Attorney's Office.

2005-0049 – Falsification of Records: Childcare Facility Inspection Checklists were falsified by a Family Services Counselor (FSC) concerning 65 separate inspections at 29 childcare facilities. The FSC also falsified travel vouchers associated with visits to childcare facilities that never actually occurred amounting to \$52.78. The department employee was terminated as a result of her actions in this case. This investigation was coordinated with the State Attorney's Office and is pending prosecution.

2006-0011 – Misrepresentation: Legal guardians of a teenager, who were awarded non-relative placement, discovered that the teenager would become eligible for the Independent Living Program (department provides services and funds) if they became licensed foster parents. The licensure process began; however, after determining that the license would not be granted in time for the teenager to qualify for the program, employees of a Community Based Care (CBC) agency arranged for the teenager to be temporarily placed in a licensed foster home until the legal guardians obtained their license. Investigation revealed that four CBC employees manipulated the placement process, in that they were all aware that the court granted the temporary placement change but the teenager never actually physically relocated from the non-relative placement. In addition, it was discovered that although the teenager never resided in the licensed foster home, the foster parent received two payments from the department over the course of a two-month period totaling \$529.79.

Section D: Civil Rights

THE CIVIL RIGHTS PROCESS

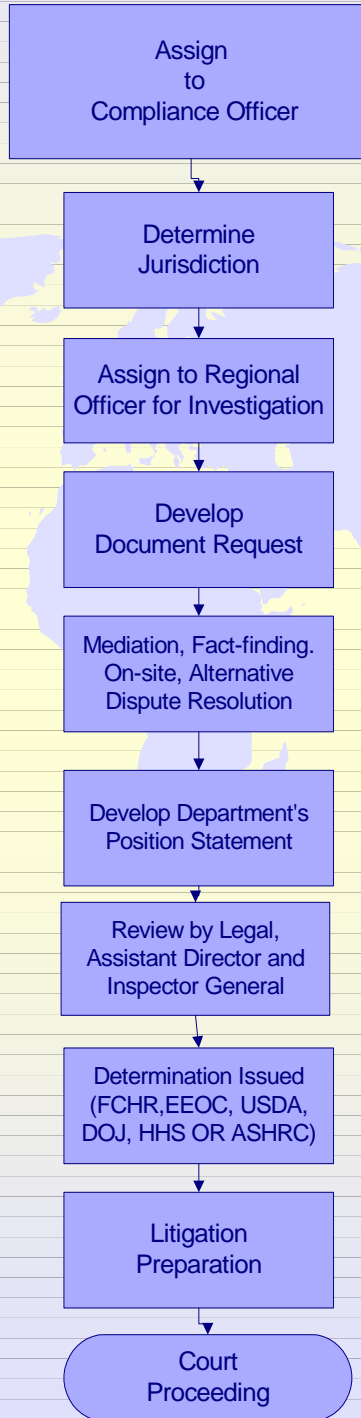


Figure D.1: Office of Inspector General Office, Civil Rights Process

Section D: Civil Rights

Civil Rights (OSICR) is mandated to ensure full compliance with state and federal laws regarding equal employment opportunity, service delivery, HIPAA, and affirmative action planning.

Complaints are filed by our clients and employees. They are filed with several agencies:

- Florida Commission on Human Relations (Employment and Affirmative Action Issues)
- Equal Employment Opportunity Commission (Employment and Affirmative Action Issues)
- Department of Health and Human Services (Service Delivery Issues)
- Department of Agriculture-Food and Nutrition Services (Service Delivery Issues)
- Department of Justice (Employment and Service Delivery Issues).

Employees and clients may also file complaints with the Office of Civil Rights directly or with their zone coordinators.

Title VI (Service Delivery)

Title VI of the 1964 Civil Rights Act and its implementing regulation at 45 C.F.R Part 80 prohibits our agency and its service providers from discriminating in federal assisted programs. The Office of Civil Rights responsibility is to make sure that quality services are provided in an equally accessible and effective manner to clients.

For example, hearing impaired clients must be provided sign language interpreters and limited English proficient clients should be provided language interpreters. Each zone and institution has an Auxiliary Aids and Limited English Plan that describes how to access auxiliary aids needed by clients and employees.

We have established and implemented a civil rights compliance program through a required Methods of Administration (CFOP 60-16). The Methods of Administration explains our investigative process for Title VI complaints filed by clients, potential clients, and employees.

Compliance monitoring and reviews are also conducted yearly. Providers and their sub-recipients are subject to full scope or limited scope compliance review once every three years.

We received thirty-one (**31**) formal complaints during FY 2005-2006 and conducted monitoring and compliance reviews.

Title VII (Employment Issues)

Title VII of the Civil Rights Act of 1964 and the Florida Civil Rights Act of 1992 require each agency to maintain an equal employment opportunity program. Our Equal Employment/Affirmative Action guidelines can be found in CFOP 60-15. This operating procedure establishes procedures to follow if a complaint of discrimination is filed against the department.

The Office of Civil Rights recommends strategies and solutions to management relating to Title VII civil rights issues, participates in mediation and conciliation discussions, participate in litigation preparation, provide testimony at Department of Administrative Hearings, Federal and State Court Cases as needed.

New complaints assigned for investigation were ninety-three (**93**) during the fiscal year 2005-2006.

Health Insurance Portability and Accountability Act (HIPAA)

45 CFR Subparts 160, 162, and 164 requires the Department to assure the privacy and confidentiality of protected personal health information of clients and patients. Operating procedures 60-17, Chapters 1-5 ensures our compliance. Office of Civil Rights is responsible for investigating privacy complaints as well as conducting required yearly monitoring of our programs.

One hundred and five (**105**) HIPAA compliance monitorings were conducted during FY 2005-2006 covering both DCF and Agency For Persons with Disabilities programs.

Strategic Goal Accomplishments

- Continued proactive measures by developing and conducting training for employees and service providers.
- Performance standards aligned with strategic goals.
- Streamlined investigative process.
- Updated policy and procedures.
- Developed uniform Compliance Review tool.

Section D: Civil Rights

The following charts reflect the types of complaints received, issues and program areas involved:

Title VI by Program/Institution
Client/Service Delivery

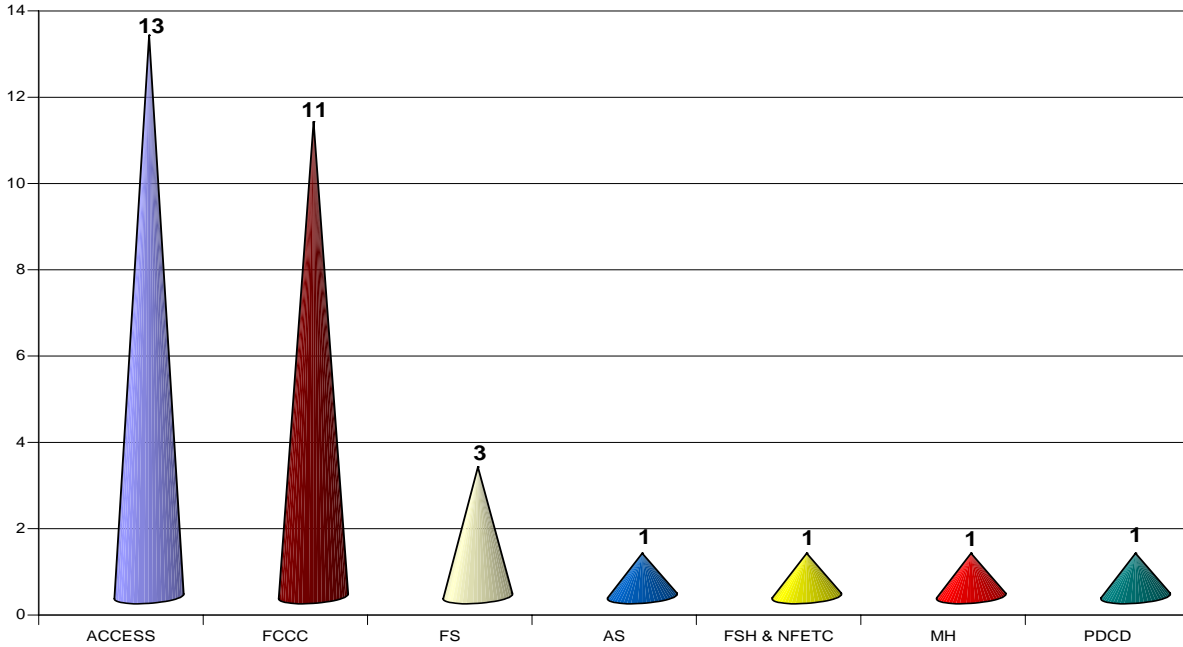


Figure D.2: This chart reflects Title VI complaints by program during fiscal year 2005-2006.

Title VI Complaint Basis
Client/Service Delivery

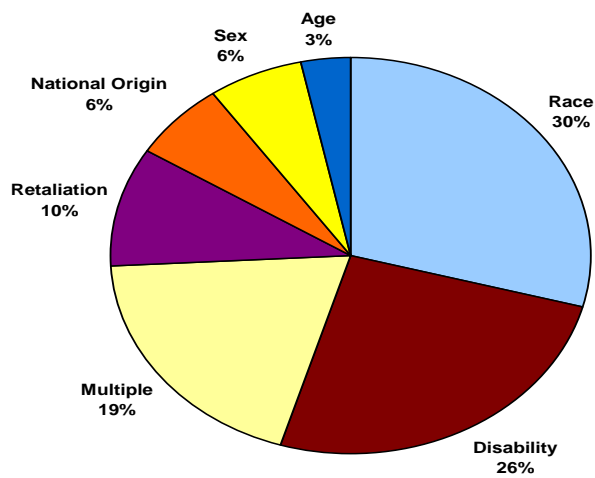


Figure D.3: This chart represents Title VI complaints filed by clients during fiscal year 2005-2006. (Multiple = any combination of other categories).

Section D: Civil Rights

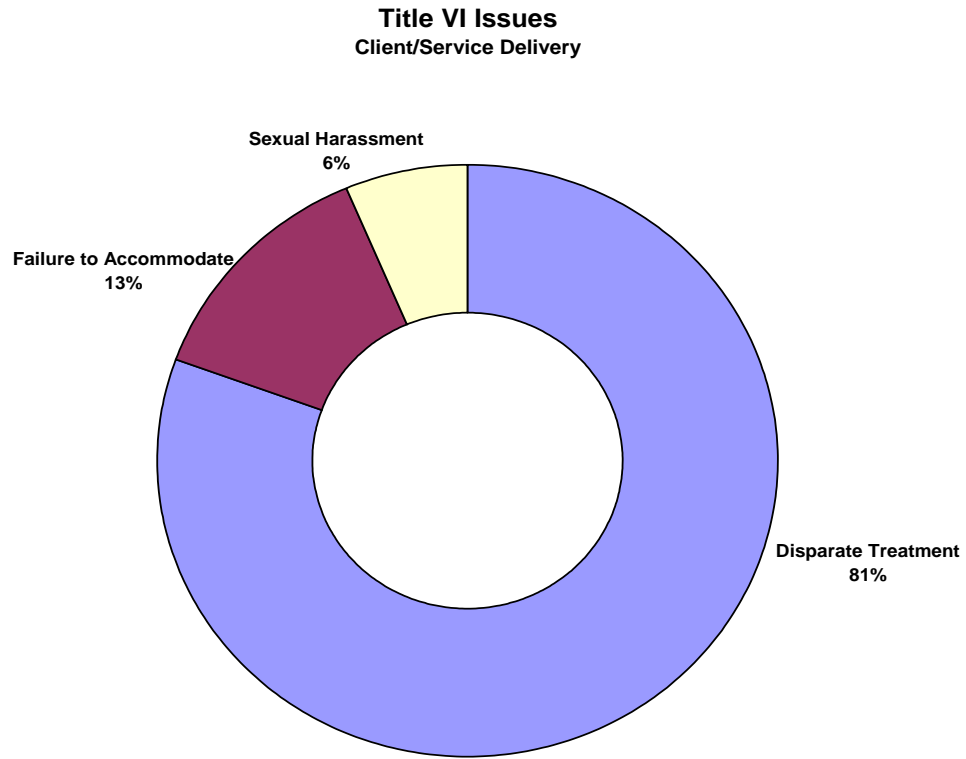


Figure D.4: This chart reflects Title VI complaints by issue during fiscal year 2005-2006.

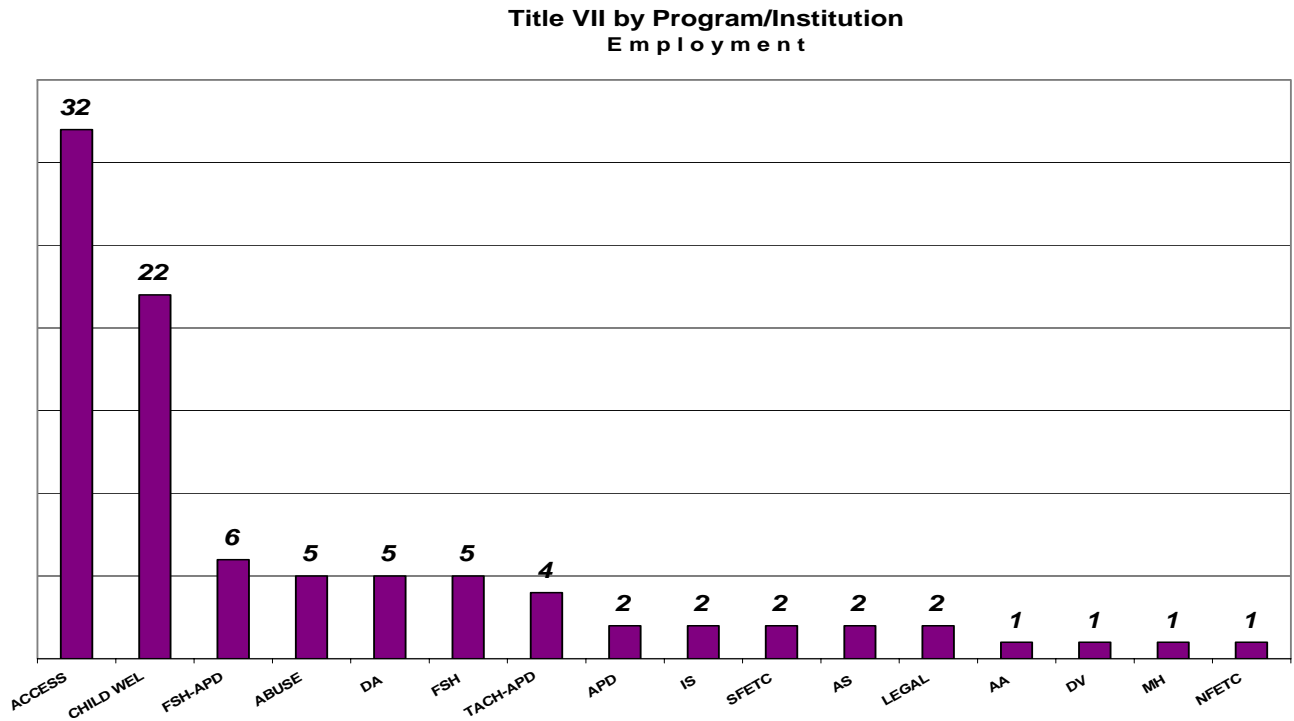


Figure D.5: This chart reflects Title VII complaints received by programs during fiscal year 2005-2006.

Section D: Civil Rights

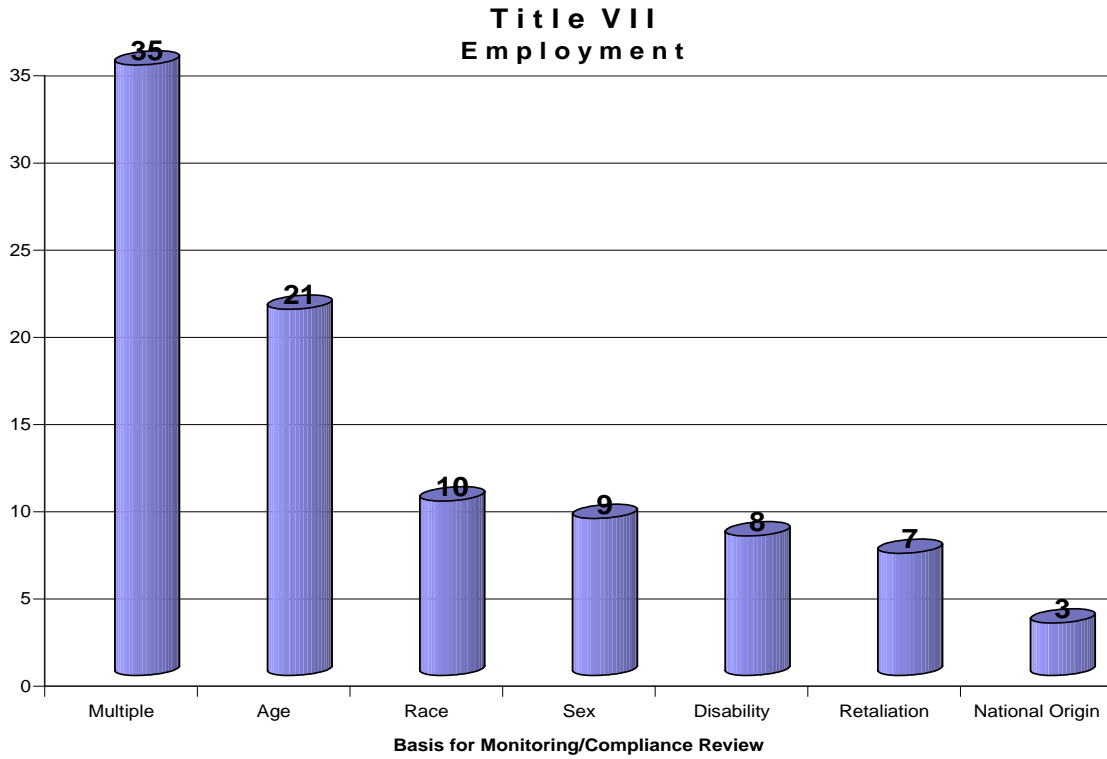


Figure D.6: This chart depicts Title VII complaints received by basis during fiscal year 2005-2006. (Multiple = any combination of other categories).

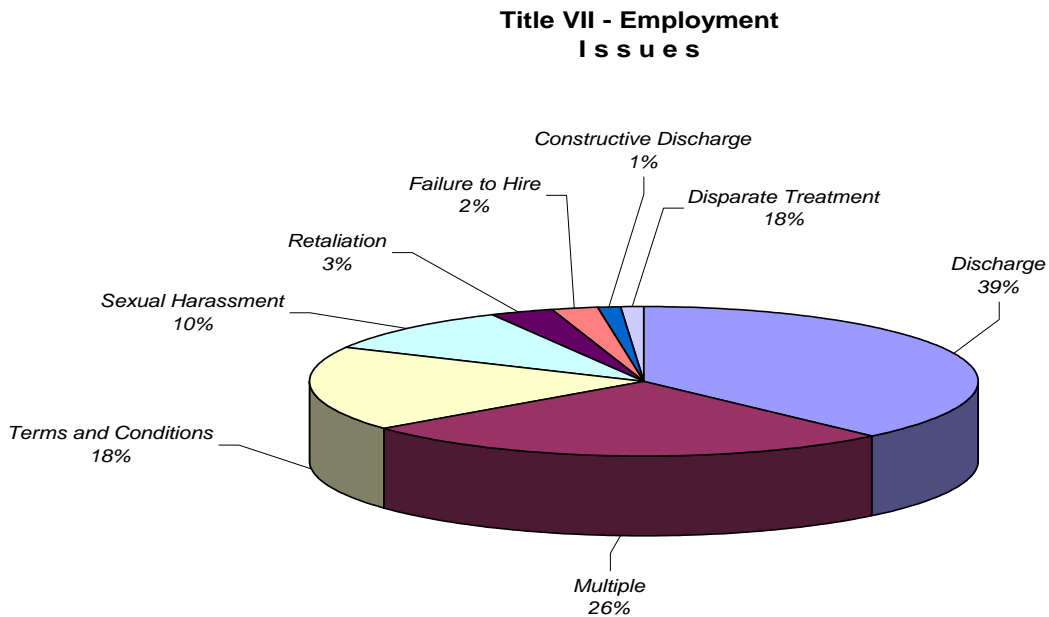


Figure D.7: This chart depicts Title VII complaints by issue during fiscal year 2005-2006. (Multiple = any combination of other categories).

Section E: Quality Control

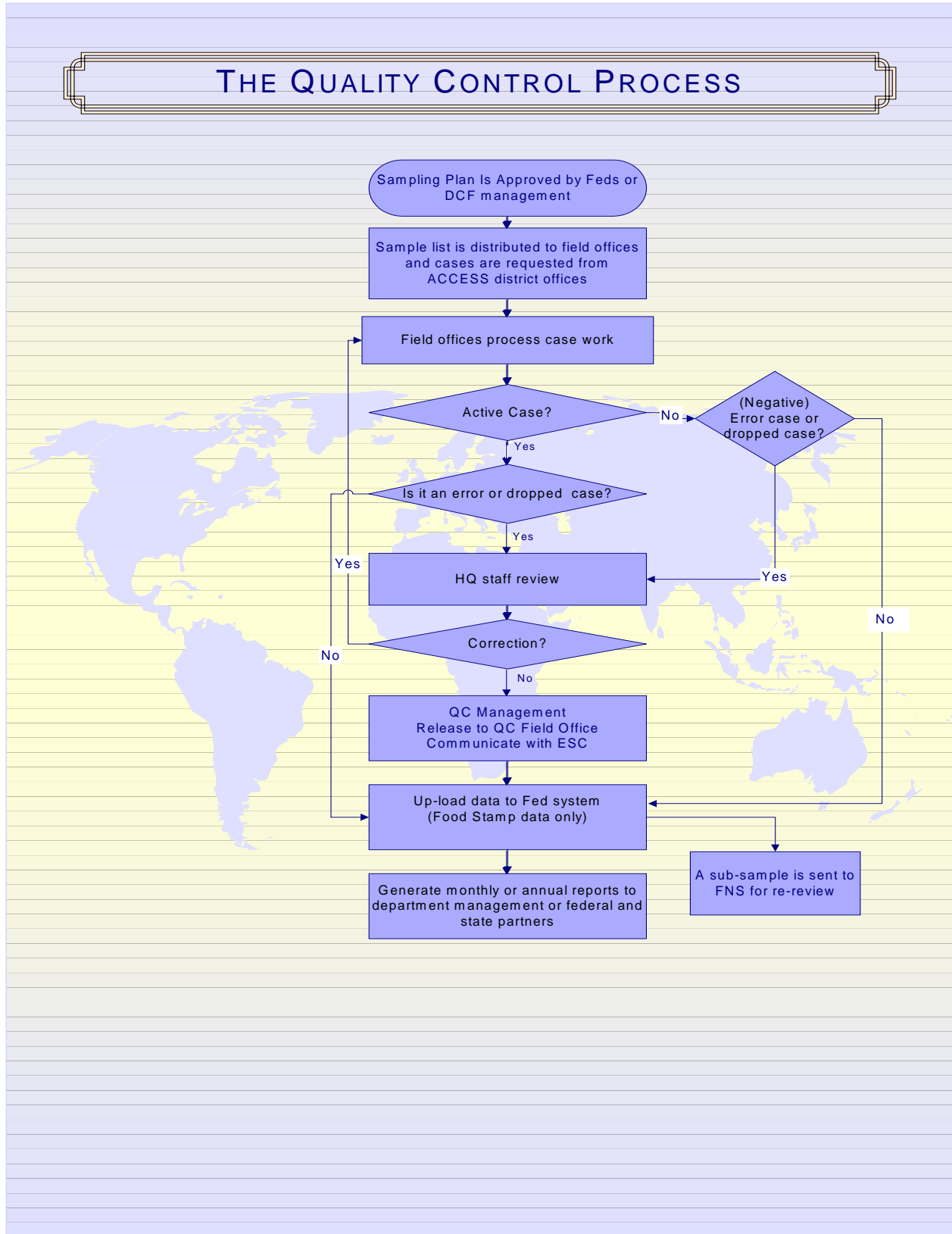


Figure E.1: Office of Inspector General, Quality Control Process

Section E: Quality Control

Quality Control (QC) was designed by the federal government to help states identify eligibility problems in the Food Stamp and Medicaid Programs.

Food stamp and Medicaid benefits are intended for families and individuals that meet specific requirements. The Quality Control process helps the state assure that benefits go to qualified individuals by identifying areas in the eligibility process that can be improved. For example, QC sometimes suggests programming changes be made to the FLORIDA computer system or that ACCESS apply for policy waivers that will make the program more efficient.

Now that ACCESS has implemented an on-line eligibility system (ACCESS Florida), the role of QC becomes of greater value by helping identify improvements to make the new system more efficient and accurate.

In addition, QC monitors those eligibility decisions when clients are denied benefits or have had their cases closed. Recent changes in FNS policy have placed more emphasis on these negative case actions by tying in bonus money to the negative accuracy rate.

The office operates pursuant to the following legal authorities:

- ◆ Food Stamp - Title XIII, Public Law 95-113.
- ◆ 91 Statute 958, Food Stamp Act of 1977, as amended.
- ◆ 7 CFR Chapter II, 275.10.
- ◆ Medicaid - Title XIX, Social Security Act.
- ◆ 42 CFR Chapter IV, 431.800.

Quality Control Review Process

Food Stamps

QC selects a statistically valid sample of cases to review monthly. Guidelines for sampling, including sample size, are set by the United States Department of Agriculture (USDA). Samples are drawn monthly, beginning in October and ending in September of the following Federal Fiscal Year (FFY).

Florida Quality Control is one of the few states that stratify the food stamp samples by districts. This sampling method provides an effective tool in promoting accountability and ownership of the

payment accuracy rates because through stratification each district's rates are equally valid.

The QC review is conducted to determine the accuracy of the eligibility determination by the caseworker. Over 40 elements of eligibility are reviewed and substantiated during this review. QC conducts a thorough review of the recipient's case file, including information stored in the FLORIDA computer system; a face-to-face interview with the client; research via the internet and makes collateral contacts to verify the information received.

If the benefit amount QC determines is within \$25 of benefits the client is receiving, the case is considered correct. If the benefit amount differs by more than \$25, the case is considered incorrect.

Errors

Errors are classified into two categories: Agency errors and Client errors.

- ◆ Agency errors occur when policy is incorrectly applied; there is a failure to take necessary action indicated by the case record, data entry errors or coding errors.
- ◆ Client errors occur when:
 - ◆ Simplified Reporting:
 - ◆ The client's income exceeds 130 percent of the federal poverty level (FPL) and the client does not report this or the client incorrectly reports other information that affects the allotment amount.
 - ◆ Non-Simplified Reporting:
 - ◆ The client fails to report required information to the agency.

Federal Re-reviews

USDA validates the State's quality control process by selecting a statistically reliable sample of the food stamp cases that were previously sampled by the State. These cases are completely re-reviewed by the USDA. The purpose of the federal re-review is to determine the accuracy of the state quality control findings. The federal reviewer determines whether the state quality control reviewer correctly applied certification policy, properly and accurately applied quality control review procedures, accurately recorded results and adequately performed field investigations.

Section E: Quality Control

Individual Corrective Action

QC refers all error cases to the appropriate program office for action and follow-up. The correction of errors on individual cases involves:

Notifying the district via the Report of Findings of errors as reported by QC. The district sets up Accuracy Improvement Meetings (AIM) in which staff from the program office and QC discusses why and how the errors occurred and how to avoid recurrences.

If there is a question concerning quality control findings, the district office or the ACCESS Central Program Office can request reconsideration of the case. From these requests, QC reviews the questioned findings and if changes are made, "Corrected Findings" are sent to the affected parties.

Quality Control Staff

To ensure independence, QC reports directly to the Inspector General. During FFY - 2005, QC has forty-five full-time positions including one Chief of QC, six QC Supervisors, twenty-eight QC Analysts, and ten Professional/ Technical support staff.

All administrative costs for QC are funded at 50 percent federal administrative trust funds and 50 percent general revenue.

Headquarters staff is responsible for developing QC procedures, interpreting policies, developing food stamp TANF and Medicaid sampling plans, distributing all samples to field staff and ensuring that all cases are completed accurately and according to federal time standards.

Headquarters also reviews all error, dropped and untimely processed cases before they are given to district offices. In addition, weekly AIM meetings are conducted with program office and QC headquarters staff to discuss errors and untimely cases and to resolve related policy issues.

Performance Workload

For FFY 2005, QC conducted 2,089 active food stamp case reviews, 1,027 negative food stamp case reviews and 321 negative Medicaid case reviews. Special Pilot Projects were conducted in

the Medicaid program in lieu of traditional QC reviews. There were two phases in these projects with a total of 4,273 cases reviewed. All food stamp reviews were transmitted timely to USDA. The required Medicaid reports were submitted within Centers for Medicare and Medicaid Services (CMS) timeframes.

Temporary Assistance For Needy Families (TANF)

When TANF replaced Aid to Families with Dependent Children (AFDC), the funding for the program became a block grant. Therefore, the mandatory requirement for a QC process was eliminated. Although not mandated, at the request of the program office, QC began conducting desk reviews of the TANF Program in January 2005. The purpose of the desk reviews is to give the department an idea of how accurately TANF payments are being dispersed. QC staff developed forms, sampling methods and procedures for these reviews. 1,291 cases were reviewed in FFY 2005. The payment accuracy rates from these reviews are being placed on the DCF Dashboard as a performance measurement under the heading of "Welfare Transition and Employment Supports".

Medicaid

For Medicaid, states have the option of conducting payment accuracy reviews (similar to those in the Food Stamp Program) or conduct approved Pilot Projects that target specific areas that AHCA and CMS are interested in.

Quality Control, together with AHCA and ACCESS decide what project(s) to submit to CMS for their approval. QC then develops policies, procedures, forms and creates databases to be used for the project(s).

There were two Pilot Projects conducted in Medicaid in FFY 2005.

- 1) QC reviewed the Florida Medicaid Management Information System (FMMIS) discrepancy report to determine why there was a difference in the amount of patient responsibility billed by the nursing facility and the amount shown to be correct in

Section E: Quality Control

FMMIS. A total of 3,735 discrepancies were reviewed in this phase.

Of the 3,735 discrepancies reviewed:

- FLORIDA sent incorrect information to FMMIS on 84 cases (2.2%)
 - FLORIDA sent the correct information to FMMIS but the information failed to post on 2,437 cases (65.2%). These were errors because the newest information “overlapped” (replaced) the previous information.
 - All information was correct on 379 cases (10.2%).
 - Due to incomplete information available on the FLORIDA and FMMIS systems, the reviewer was unable to determine why the discrepancy showed up on 835 cases (22.4%)
- 2) A new policy allowed a deduction in the calculation of patient responsibility for medical expenses not paid by a third party. This study was done to determine how well the implementation of this new deduction policy was being done. A total of 518 deductions were reviewed for this phase. (Medicaid Quality Control) MEQC also evaluated how accurately income was being calculated on these cases.

Of the 518 cases reviewed:

- The income was calculated correctly on 437 cases (84.4%).
- The income was calculated incorrectly on 81 cases (15.6%).
- There were 63 underpayments and 18 overpayments.
- The total dollar amount due to incorrect calculation of income was \$4,663.34.
- The average income error was \$57.57 per case.

Strategic Goal Accomplishments

Several strategic goals were accomplished this year by the Office of Quality Control. To help improve accuracy in public assistance programs administered by the agency QC expanded and encouraged participation in Accuracy Improvement Meetings (AIM) throughout the state. This involvement accelerates and promotes timely corrective action helping to reduce error rates.

Another initiative was to increase the awareness of Quality Control. One step taken to accomplish this was the development of a PowerPoint presentation that all staff can access on the OIG website. The presentation gives a brief overview of the function and purpose of QC, the programs QC reviews and an explanation of error rates. It also advises staff of what they should tell recipients about the QC review.

It is also a goal of Quality Control to maintain the highest quality of staff. QC developed standardized interview questions for the recruitment of QC analysts and supervisors; automated position descriptions for all positions and enhanced performance standards to meet an ever-changing environment. In addition, a Time Management training session was provided to all staff.

During the food stamp review process, QC staff completed a client survey to determine the level of customer service the department was providing and to determine if QC was being explained to clients during the application process. There were 1,732 responses to the survey.

Note: All respondents did not answer every question (See E.3 for survey results). The survey showed that although eighty-five percent (85%) of respondents believed their rights and responsibilities were explained to them, only twenty-eight percent (28%) were told that they could be selected for a Quality Control review. Seventy-nine percent (79%) claimed they received courteous assistance when contacting the department. Of the fifty-one percent (51%) that used the self-service area of the service center, ninety-two percent (92%) found it to be convenient and easy to use.

In addition to their assigned duties, twenty-five percent (25%) of QC staff worked as part of the relief effort during the hurricanes that hit Florida in 2005.

Section E: Quality Control

E.2: Food Stamp Reviews Completed by District

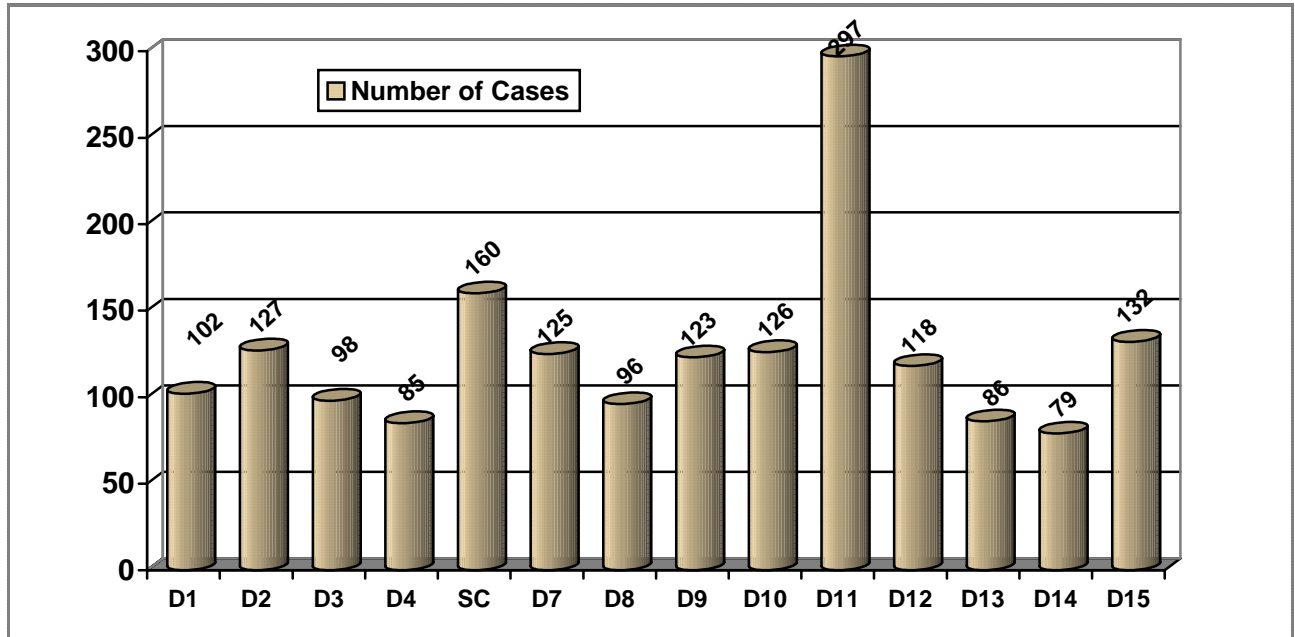


Figure E.2: Shows the number of food stamp cases completed during the past federal fiscal year by district. A total of 1,754 were completed out of 2,089 selected (the remainder were dropped from the sample for various reasons such as “moved out of state” or “failure to cooperate”).

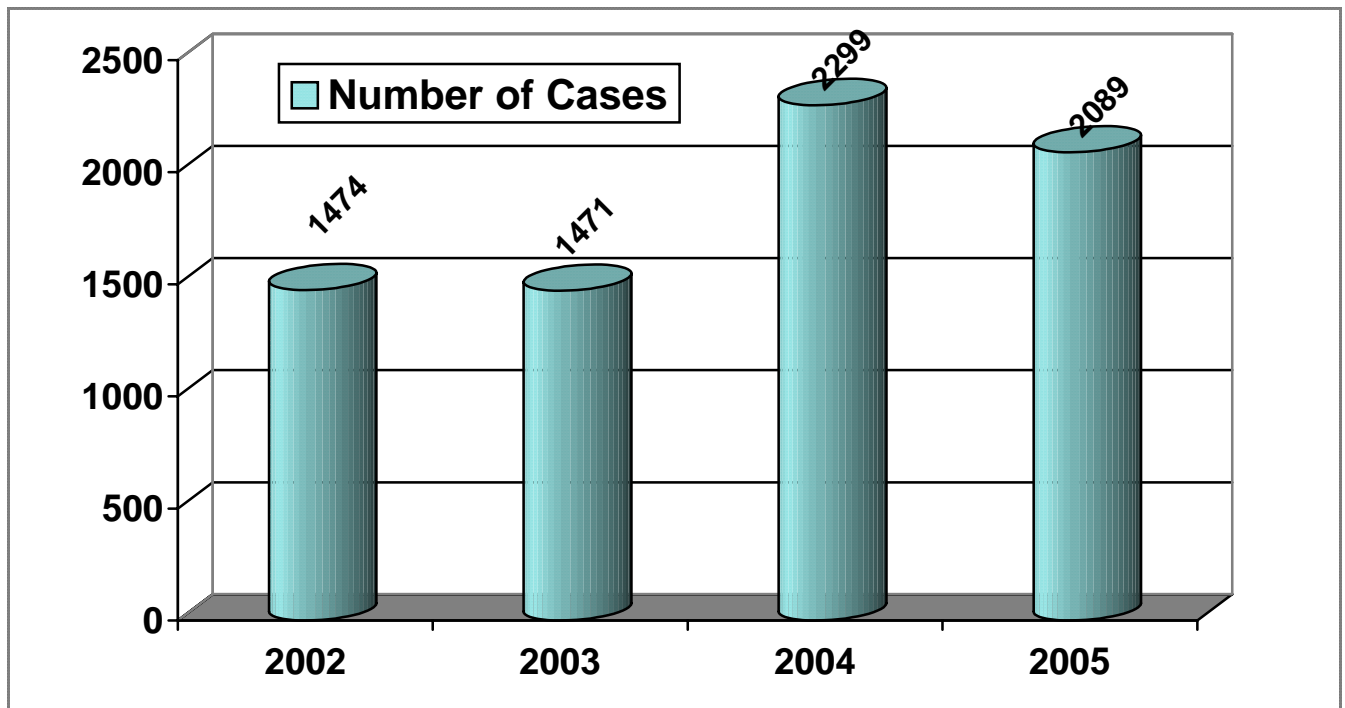


Figure E.3: Shows the number of food stamp cases completed during the past four years. *In FFY 2004 Florida QC began to stratify the sample so that all District error rates had a similar margin of error. Stratifying can cause the sample size to fluctuate from year to year. Florida's sample remains well above the federal requirement of 1,200 cases.

Section E: Quality Control

E.4: Quality Control Client Survey

QUESTION	YES	NO	NA
When you are interviewed for the purpose of eligibility determination, does the interviewer explain the review process and your rights and responsibilities?	1,479	215	38
When you applied for assistance, was the possibility of a Quality Control review explained to you?	479	1,205	47
When contacting DCF to request help or report a change, do you receive courteous assistance?	1,370	250	111
Do you use the self-service area at the service center?	872	449	400
If yes, is the self-service area convenient and easy to use?	803	69	
If yes, is someone available to offer assistance in the area?	729	113	30

Figure E.4: Shows the results of the Client Survey conducted by Quality Control.

- ✚ 85 percent stated the interviewer explained their rights and responsibilities
- ✚ 28 percent were told they could be selected for a Quality Control review
- ✚ 79 percent received courteous assistance when they contacted the department
- ✚ 51 percent said that they used the self-service area at the service center
- ✚ 92 percent found the self-service area to be convenient and easy to use
- ✚ 84 percent said someone was available to offer assistance in the self-service area.

Section E: Quality Control

ERROR RATE SUMMARY

FOOD STAMPS

(Federal Fiscal Year: October 2004 - September 2005)

Official Error Rate – 7.19%

2,089 cases reviewed

208 error cases

These error cases can be attributed to either agency errors or client errors.

**Agency Errors were 114 of 208 cases
or 54.8% of 7.19%**

**Client Errors were 94 of 208 cases or
45.2% of 7.19%**

- ◆ Failed to Act
- ◆ Policy Incorrectly Applied
- ◆ Arithmetic
- ◆ Data Entry Error
- ◆ Computer User Error

- ◆ Information Not Reported
- ◆ Incomplete/Incorrect Information Provided
- ◆ Information Withheld by Client
- ◆ Collateral Information Inaccurate

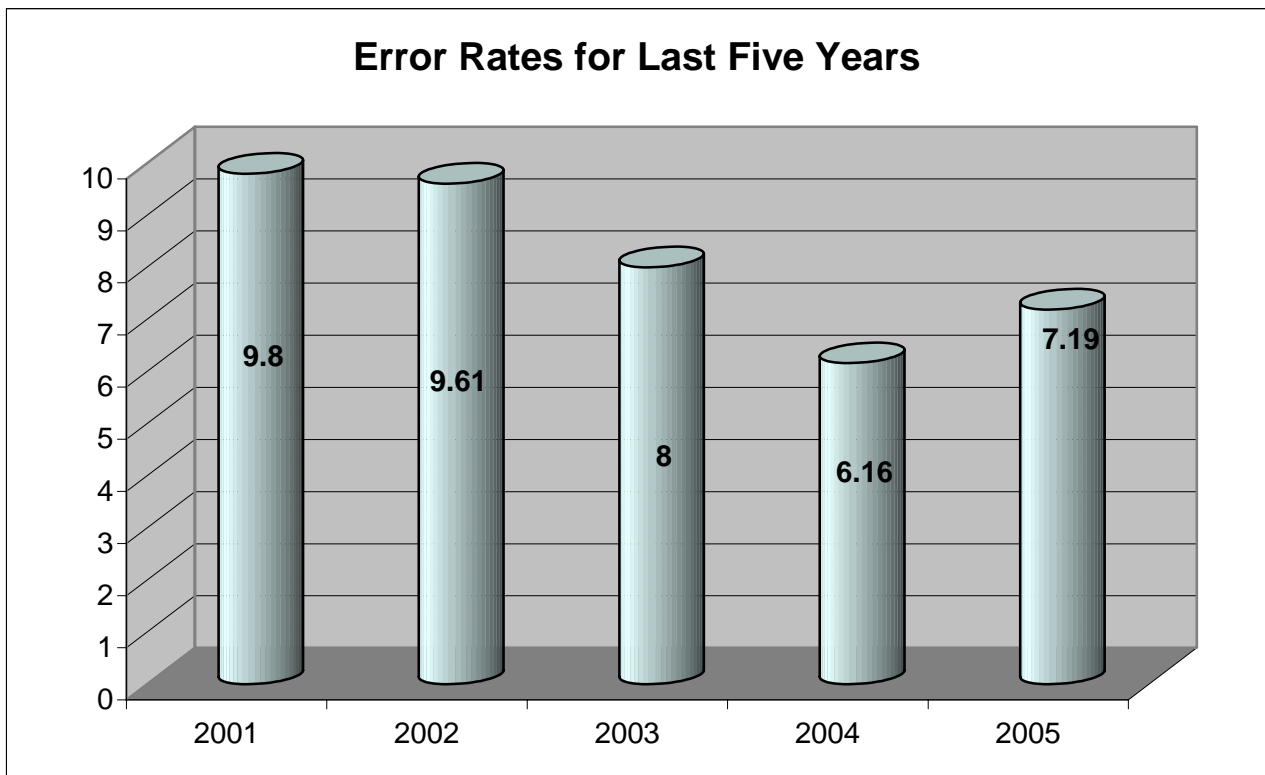


Figure E.5

Section F: Appeal Hearings

THE HEARINGS AND APPEALS PROCESS

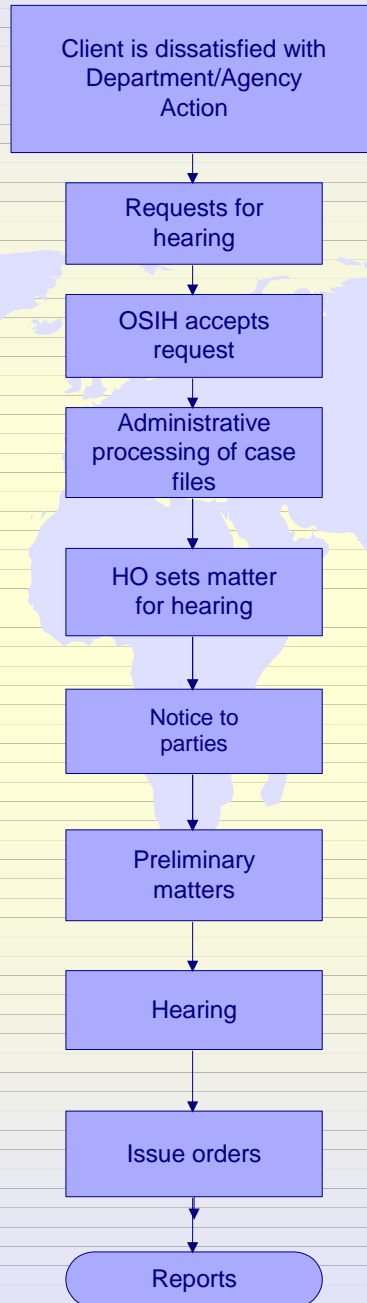


Figure F.1: Office of Inspector General, Appeal Hearings Process

Section F: Appeal Hearings

Appeal Hearings provides administrative hearings for applicants or recipients of public assistance programs and individuals being transferred or discharged from nursing facilities. The office also provides disqualification hearings for individuals believed to have committed intentional program violations.

The office operates pursuant to the following legal authorities:

- Section (§)409.285, FS, Opportunity for Hearing and Appeal.
- Chapter 120, FS, the Administrative Procedures Act, §120.80, FS, Exceptions and special requirements; agencies.
- §400.0255, FS, Resident hearings of facility decisions to transfer or discharge.

The administrative rules for the department's fair hearing procedures appear in Rule 65-2.042, et seq., Florida Administrative Code (FAC), Applicant/ Recipient Hearings.

The major controlling federal regulations are:

- Temporary Assistance to Needy Families Personal Responsibility & Work Reconciliation Act of 1996.
- Medicaid.
- 42 CFR §431.200, Fair Hearings for Applicants and Recipients.
- Food Stamps.
- 7 CFR §273.15, Fair Hearings
7 CFR §237.16, Disqualification for intentional Program violation.

Fair Hearings

The department is required by the federally-funded assistance programs to offer a "fair" hearing prior to an action to terminate assistance which meets basic due process requirements as contained in Goldberg vs. Kelly, (1970). The Administrative Procedures Act, Chapter 120, FS, sets forth the state procedural requirements the department must meet in resolving issues which affect the substantial interest of individuals. Appeal Hearings has been delegated the authority to complete final

agency actions on a variety of issues arising out of most of the federally funded programs.

Appeal Hearings holds fair hearings for:

ACCESS

- Temporary Assistance to Needy Families (TANF)
- Food Stamps
- Disaster Food Stamp Program
- Medicaid Eligibility
- Refugee Assistance Program
- Institutional Care Program
- Optional State Supplementation

Medicaid Benefits

- Agency for Persons with Disabilities Medicaid Waiver
- Agency for Health Care Administration

Others

- Special Supplemental Food Program for Women, Infants and Children
- Certain Social Services Block Grant Programs
- Certain Child Support Enforcement issues for the Department of Revenue

The office conducts these hearings primarily with the department as the respondent. In some cases, another department or agency may administer the program. The office, by agreement with the department/agency, conducts hearings with the Department of Health, Department of Revenue, Agency for Health Care Administration and Agency for Person with Disabilities, as the respondent.

Nursing Home Transfer/Discharge Hearings

Appeal Hearings also conducts hearings to determine whether or not a nursing facility's decision to transfer or discharge a patient was correct. The facility may only discharge an individual based upon conditions set forth in law.

These hearings often involve expert medical testimony on complex medical issues. The hearing officer has the authority to prohibit the discharge or require the facility to re-admit a resident if he/she has already been discharged.

Section F: Appeal Hearings

Administrative Disqualification Hearings

The department has the authority to disqualify an individual from receiving cash assistance and food stamp benefits when that individual has been found, through the administrative hearing process, to have committed an intentional program violation.

Office Activities

The office developed an internet orientation training for department employees who may have to participate in the hearing process. The training including an introduction with general information about the office, information about filing a hearing request, the procedural aspects of the hearing, evidence that should be presented, and the completion of the hearing process.

The office also implemented a new web based office automation system. This system tracks all of the office cases, provides for automated printing of all office notices, and direct communications with the FLORIDA system to update hearing information. The system allows access from anywhere in the state behind the firewall.

Appeal Hearings Staff

For independence purposes, the Appeal Hearings' Office reports directly to the Inspector General. Federal regulations require a hearing officer to be a state-level employee.

For FY 2005-2006, Appeal Hearings had 22 full-time positions, which included a Chief of Appeal Hearings, 3 Appeal Hearings Supervisors, 14 Appeal Hearings Officers, and 4 administrative staff.

In order to deliver services, on a statewide basis, in the most efficient and effective manner, hearing officers are located in several geographical areas, which include Fort Lauderdale, Ft. Pierce, Gainesville, Jacksonville, Miami; Pensacola, Orlando, St. Petersburg, Tampa, and, West Palm Beach.

All administrative costs for hearings are funded at 50% federal administrative trust funds and 50% general revenue.

Workload Performance

Appeal Hearings completed **7,643** fair hearing requests, **269** intentional program violation hearing requests and **217** Nursing Facility Discharge/Transfer hearings. Appeal Hearings completed 98% of the fair hearings within federal time standards. *The target goal for substantial compliance is 95%.*

In addition to disqualification hearing requests, the office tracks cases in which the individual agrees to accept the disqualification penalty and waive the right to a hearing. In FY 2005-2006, Appeal Hearings processed **2,413** disqualifications for TANF or food stamp benefits based on signed waivers.

This year, the office processed **391** Disaster Food Stamps (DFS) benefits requests. During FY 2004-2005, the office processed **886** DFS requests. It was found that the majority of the cases from the previous year were related to missing applications. The office worked with program staff to recommend that a receipt be provided for future applications. For FY 05/06, applications were printed on NCR paper and the individual was given a copy. This change increased the department's effectiveness in processing valid claims requests.

Strategic Goal Accomplishments

The office's goals included in the FY 05-06 strategic plan included issues of ethics training, increased public awareness of functions, modernizing the office database and tracking system, and efficiency in communicating with it's partners.

- The office was able to provide ethics training for its staff and adopt the ethic standards of the National Association of Hearing Officials in addition to the state and department standards.

The office increased public awareness of its activities by providing information about the hearing process and written

Section F: Appeal Hearings

acknowledgement of the receipt of the hearing request.

- The office implemented a new statewide web based tracking system. The system uses a standardize data format that allows sharing of data across several computer platforms.
- The office was able to increase communication with its partners by providing data from the new database to the ACCESS program office data warehouse. This information is used by staff to pull impromptu reports regarding

hearings. The next step will be for the ACCESS staff to develop an on-line interface for their field staff to view information on individual hearing requests.

The following are charts that show disposition of a variety of cases completed by the office in FY 2005-2006

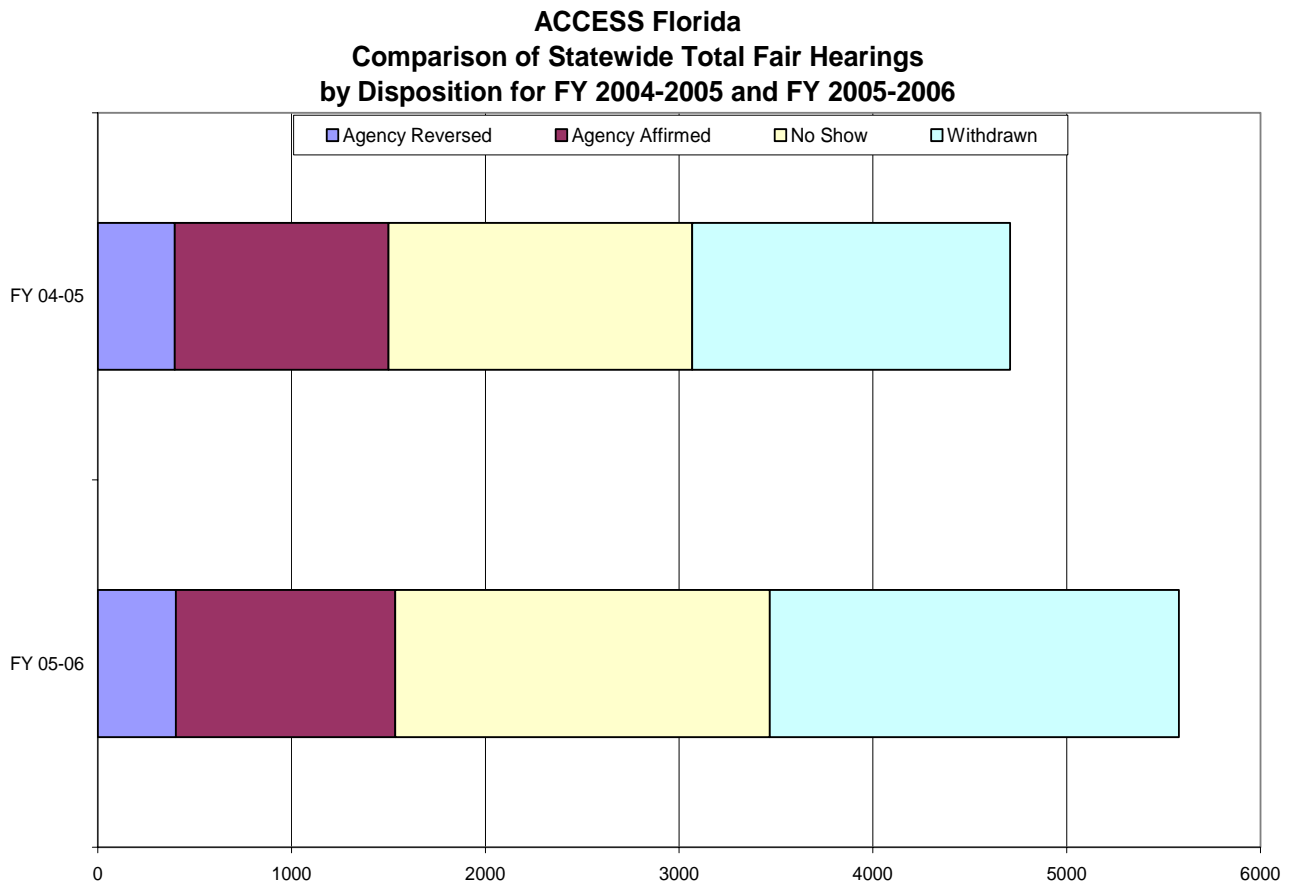


Figure F.2

Section F: Appeal Hearings

FY 2005-2006 Administrative Disqualification Hearings Decisions

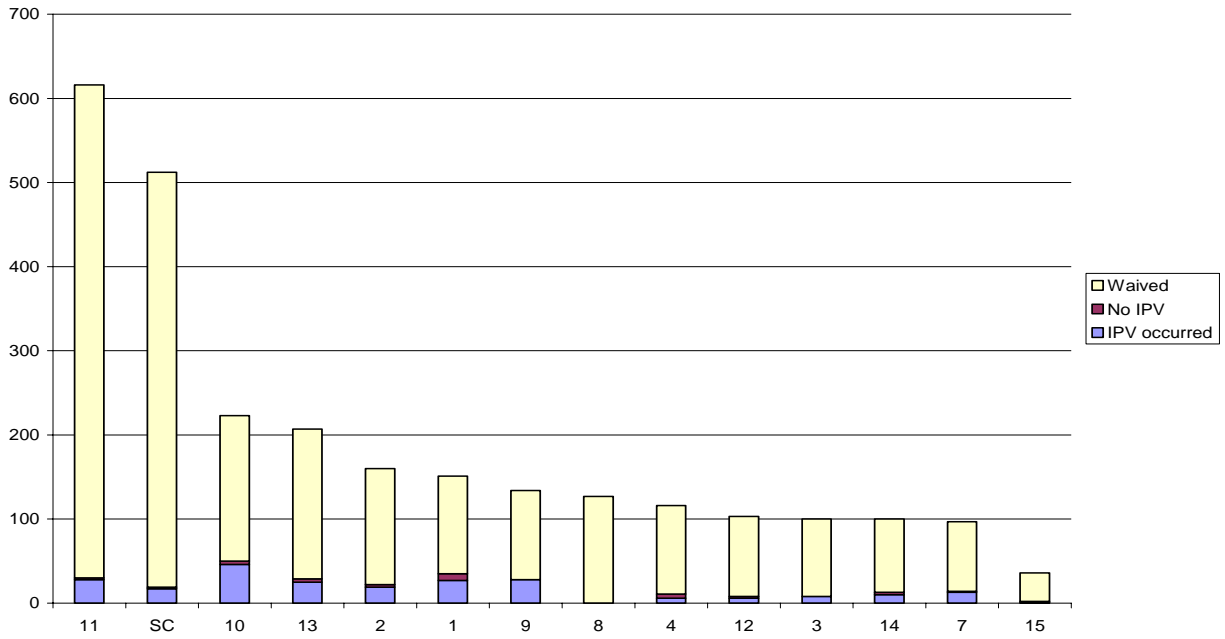


Figure F.3

FY 2005-2006 Adult Services Hearing Decisions

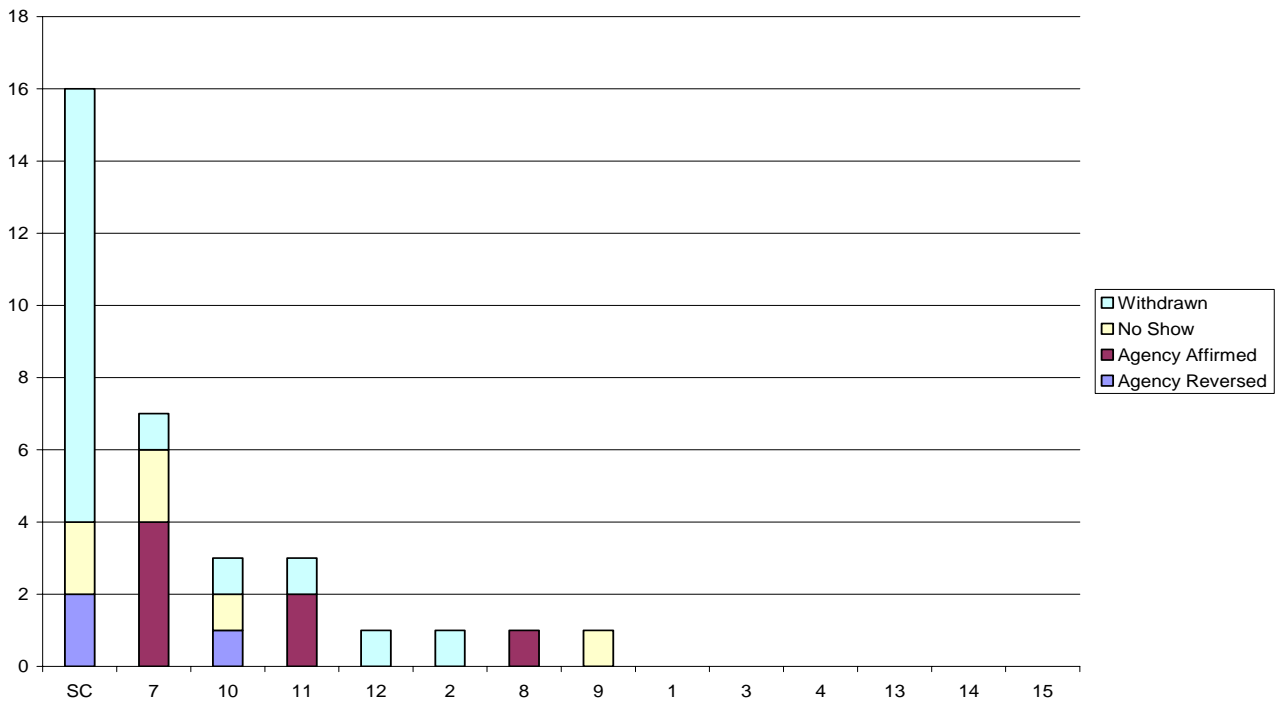


Figure F.4

Section F: Appeal Hearings

FY 2005-2006 Family Safety Hearings Decisions

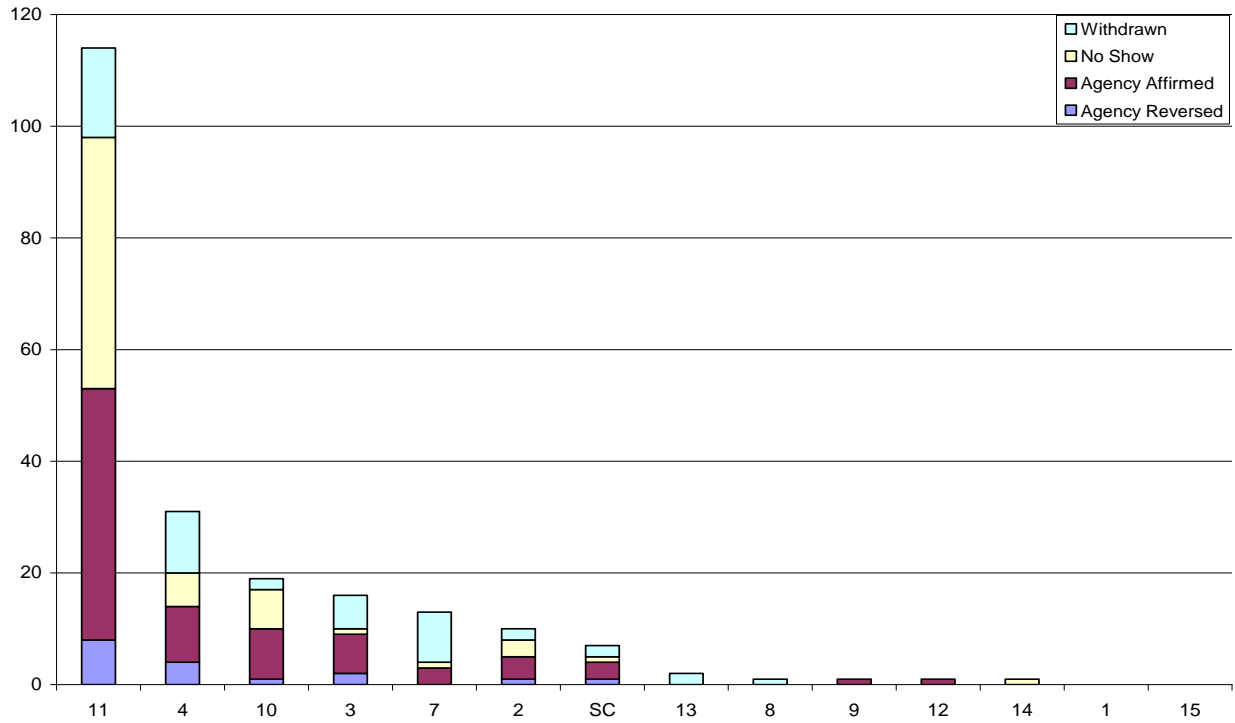


Figure F.5

FY 2005-2006 ACCESS Hearings Decisions

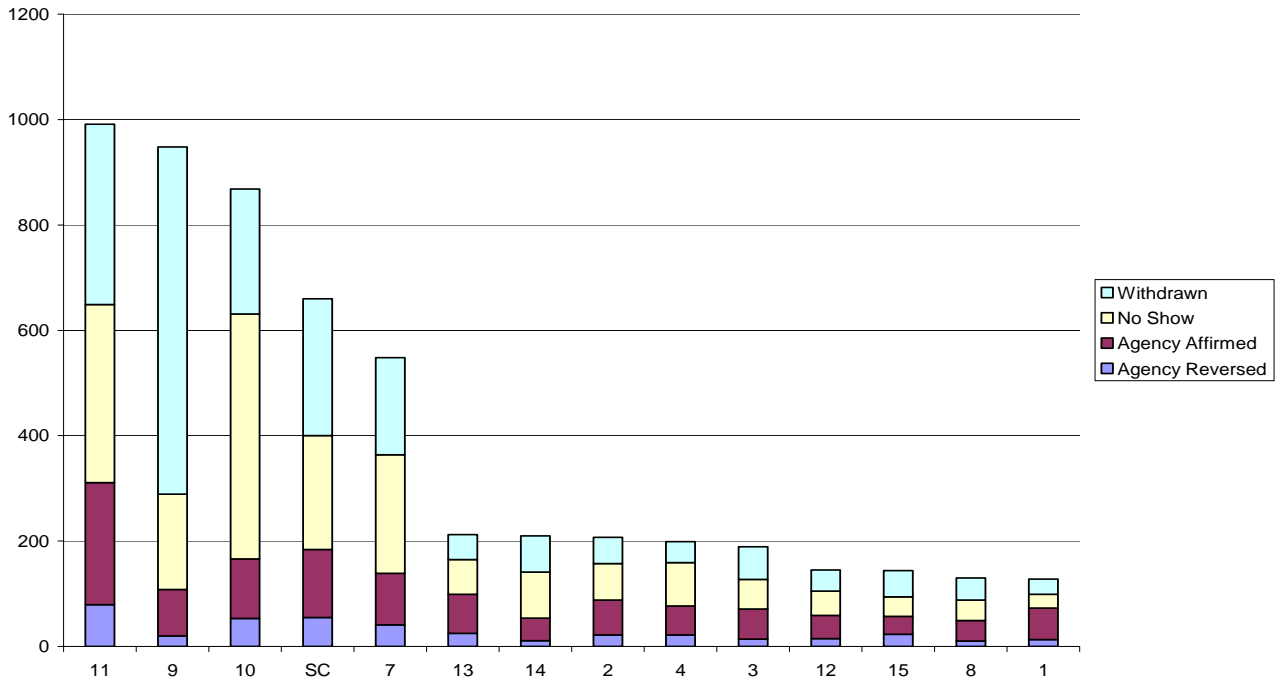


Figure F.6

Section F: Appeal Hearings

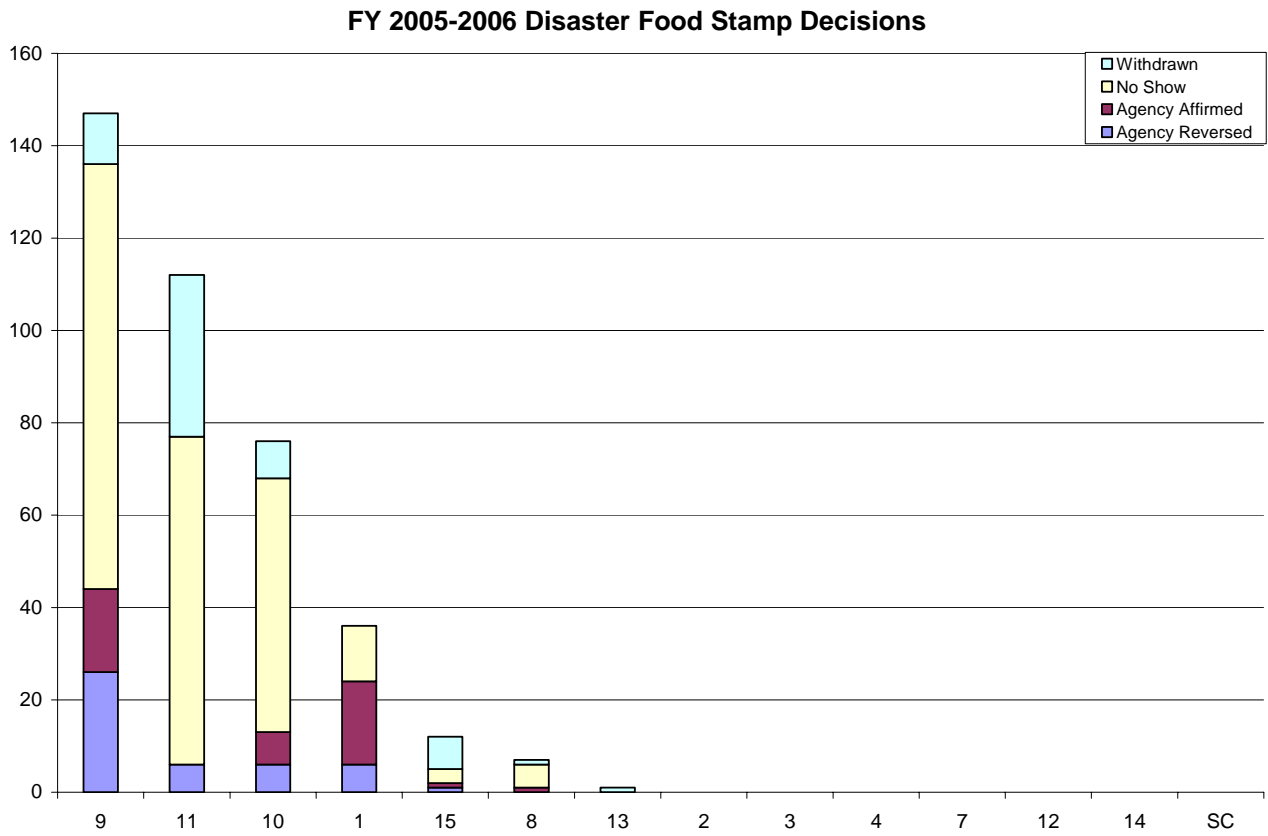


Figure F.7

Section G: Appendix I - Internal and Single Audit

Audit Reports (Internal, Follow-up and External)

Summary of Internal Audits Issued During FY 2005-2006

1. **A-05-0506-024** **Internal Audit Follow-up to OPPAGA Report 04-03, 1/04 - DCF Needs To Improve Child Protection Staff Training & Clarify DCF & Lead Agency Roles.** The purpose of this follow-up audit was to address and update items still pending from the OPPAGA Report #04-03, dated January 2004 entitled, "DCF Needs to Improve Child Protection Staff Training and Clarify DCF and Lead Agency Roles." Child welfare training was also the number one item on the 2005-06 DCF OIG OIA Risk Assessment. During the effort to redesign the child welfare training program, Family Safety program staff has been confronted with various challenges related to the transition to community-based care. They completed a core curriculum map and planned to complete a draft of curriculum materials in May 2006, pilot the competencies test in August 2006, implement the curriculum and start training child welfare staff in September 2006. Development of a newly revised 3-tier model system is underway and was scheduled for implementation on July 1, 2006 to improve quality assurance monitoring. Due to the importance of child protection training, IA recommended that management adhere to milestone dates previously set by management.

2. **A-18-0506-036** **Client and Welfare Trust Funds Administered by District 13.** Under 402.17, FS, the Department remains responsible, as trustee, to ensure money held in trust and administered for clients remain properly safeguarded for the personal benefit of those clients. The purpose of this audit was to determine whether the Department has taken the necessary and appropriate safeguards to protect client funds maintained in the District's Client and Welfare Trust Funds; ensure reliability of financial records; maximize fee collections; and met its fiduciary responsibilities. This audit served as a beginning point for all future client and welfare trust fund audits.

This audit disclosed that District staff have taken appropriate measures to protect client funds, and IA found the financial records, with few exceptions, to be accurate and reliable. District staff were commended for the improvements made from prior audits. IA made recommendations to improve the timely reconciliation of client trust funds and to research an open reconciling item. Management concurred and took immediate action. A district position was designated to assure timely reconciliation of client trust funds and a review of account activity was underway to ensure current records reflect account activity.

3. **A-05-0607-018** **Client Trust Fund District 1 Lakeview Center, Inc., Community-based Care Lead Agency, Job Well Done.** This audit represented the first review of client trust funds administered by a Community-based Care lead agency since the department transitioned trust fund responsibilities to CBC Partners. The purpose of this audit was to determine whether Lakeview (District 1's lead Community-based Care agency) has taken the necessary and appropriate safeguards to protect client funds; ensure reliability of financial records; and met its fiduciary responsibilities. IA found that controls were effective and documentation was accurate, complete, properly cross-referenced, with an easy to follow audit trail. The audit concluded that the funds were maintained as required and no management response was required.

4. **A-05-2006-001** **Improving the Process for Capturing and Reporting Advances Paid to Community-Based Care Providers.** This audit responded to a concern

Section G: Appendix I - Internal and Single Audit

raised by a private CPA firm that conducted an audit of a former District 2 lead community-based care provider, Partnership for Families, Inc. (PFF). The external auditor discovered a discrepancy between an Other Cost Accumulator (OCA) used by DCF to capture costs incurred by PFF and the type of services provided. IA determined that DCF inappropriately used OCA PR050 to capture almost \$1,200,000 of costs incurred by PFF under Contract BJP25. Management concurred and has or will take appropriate corrective actions, including notifying PFF's external auditor of the resolution of the discrepancy. The impact of the corrections will reduce federal earnings, and therefore increase the cost to the state by \$130,712.

5. A-07-2004-017

Client Trust Funds Administered by Substance Abuse and Mental Health Providers. This audit reviewed specific findings and comments of an investigative follow-up conducted by Contracted Client Services related to contract KH887 with New Horizons Community Mental Health Center, Inc. to determine whether systemic weaknesses exist in the administration of client trust funds by Substance Abuse and Mental Health (SAMH) providers. DCF oversight and monitoring of client trust funds administered by SAMH providers is inadequate. IA noted numerous weaknesses that indicate the need for strengthening internal control and monitoring activities and made recommendations to ensure appropriate oversight and monitoring of client trust funds. Management concurred and is taking appropriate corrective action to include collaboration with the Office of Quality Assurance to revise the contract monitoring tool, to review alternative payment methodologies to move away from unit cost contracting, and to form a task force to review the co-payment amount for residential treatment services.

6. A-07-2005-004

Florida State Hospital Food Service Management Contract Has Improved Operations, But Should Be Re-evaluated. This audit examined the continuing value added by the food service management contract between Florida State Hospital (FSH) and Morrison Management Specialists, Inc. (Morrison). IA recommended that FSH management request from the contractor their out-of-pocket costs associated with this contract. Based on that information, the contract should be renegotiated to better reflect current conditions while allowing a reasonable profit for the contractor. Management concurred and will implement the recommendation at the expiration of the current contract.

7. A-09-0506-055

Revisions to Substance Abuse Services' Licensure Process Needed to Improve Efficiency and Establish Accountability (report released as A-07-2004-025.) This audit identified and put into perspective internal control and other issues associated with the Substance Abuse (SA) licensure process, including the collection of and accounting for licensing fees. IA determined that the current licensure process: (1) lacks a single department-wide system for controlling and tracking the issuance of licenses, as well as collecting and accounting for licensing fees; (2) does not ensure that all fees due are collected and accounted for; and, (3) has not maximized the potential for license fees to support licensing activities. IA recommendations included: (1) formation of a team to explore technology options and implementation of a single Department-wide automated licensure system; and (2) ensuring that SA budget staff are active participants in the Office of Revenue Management's trust fund analysis project, with the goal of maximizing potential for license fees to support SA licensing activities. Management concurred with the recommendations, and will take appropriate corrective actions, including taking the lead on assembling a team to develop a licensure database and financial tracking system.

Section G: Appendix I - Internal and Single Audit

8. **A-12-2004-024** **Process Review of the Office of Civil Rights.** The purpose of this audit was to define and document key work processes of the Office of Civil Rights including those that support production and deliver of products, programs, and services. This understanding was to serve as a benchmark as this Office was transitioning from Human Resources into the Office of Inspector General. Observations were also offered where opportunities for improvement were identified pertaining to policies and procedures, workload, and relationship with districts/institutions. IA made the following three recommendations: (1) update policies and procedures to reflect current processes that pertain to objectives and goals, as well as, statutory obligations of the office; (2) actively seek to improve communication and representation throughout districts/regions/institutions, and (3) provide the Office with adequate resources to perform its required duties. Management concurred with the recommendations and is in the process of implementing corrective procedures.
9. **A-13-0506-001** **Excessive Use of Settlement Agreements is Adversely Affecting the Department.** This audit examined the use of Settlement Agreements by the department to significantly reduce the frequency of services being rendered without the benefit of a contract. The audit determined that excessive use of settlement agreements is adversely affecting DCF, including discouraging service providers from doing business with the department. This excessive use of settlement agreements was due to a combination of factors, including inadequate agency policy and a lack of awareness of agency procedure. These factors could be minimized by improving the accountability, efficiency, training and internal controls of the agency's procurement and contract review process. IA made recommendations to minimize the use of settlement agreements for the purpose of establishing service for non-emergency situations. Management concurred with the recommendations and indicated that appropriate corrective action was being taken.
10. **A-20-0506-042** **Panhandle Zone IT Security Audit.** The purpose of the overall Panhandle Zone audit was to evaluate the Information Technology (IT) environment regarding logical and physical security for the Panhandle Zone. The results of this audit are confidential information per Section 282.318, Florida Statutes (FS), and are exempt from public records disclosure pursuant to Section 119.07(1), FS.
11. **A-13-0607-020** **Panhandle Zone General Services Physical Security Audit (Issued as A-20-0506-042GS).** In conjunction with the Panhandle Zone IT security audit, this audit evaluated physical security under the purview of General Services. The results of this audit are confidential information per Section 282.318, FS, and are exempt from public records disclosure pursuant to Section 119.07(1), FS.
12. **A-20-0506-025** **Miami Zone IT Security Audit.** The purpose of the overall Miami Zone audit is to evaluate the Information Technology (IT) environment regarding logical and physical security for the Miami Zone. The results of this audit are confidential information per Section 282.318, FS, and are exempt from public records disclosure pursuant to Section 119.07(1), FS.
13. **A-13-0607-022** **Miami Zone General Services Physical Security Audit (Issued As A-20-0506-025GS).** In conjunction with the Miami Zone IT security audit, this audit evaluated physical security under the purview of General Services. The results of this audit are confidential information per Section 282.318, FS, and are exempt from public records disclosure pursuant to Section 119.07(1),FS.

Section G: Appendix I - Internal and Single Audit

14. A-19-0506-020 **The Department Needs to Improve Information Technology Revocation and Security Awareness Training Processes in the Community-Based Care Environment.** The purpose of this audit was to evaluate the Information Technology (IT) revocation process and security awareness training requirements for Community-based Care (CBC) employees that have access to DCF information systems. The results of this audit are confidential information per Section 282.318, FS, and are exempt from public records disclosure pursuant to Section 119.07(1), FS.
15. A-15-0506-007 **Assessment of the Office of Contracted Client Services Review of Self Directed Care (SDC) Contracts.** This audit was requested by Secretary Hadi to assess the validity of findings reported by the Office of Contracted Client Services (CCS) in its review of Fiscal Year 03/04 SDC contracts with Florida State University. Of seven findings presented in CCS' review, dated October 11, 2004, IA was able to validate, to varying degrees, six findings. In the remaining instance, the documentation reviewed was inconclusive to support or refute the finding. The scope of this audit did not include whether any conflicts of interest may have existed that would have biased the conclusions in CCS' report. Management concurred with the IA assessment.
16. A-18-0506-050 **Internal Controls Over Client Trust Funds Administered by Northeast Florida State Hospital Need Improvement.** This audit was requested by management and addressed concerns relating to the maintenance of client trust funds on clients' behalf by DCF districts/zones/institutions, CBC lead agency, providers or subcontractors with limited oversight, assurance or accountability. While documentation was properly maintained and staff was commended, the audit discussed concerns with weaknesses in the internal control structure associated with client trust funds such as the unlimited access to the home-grown banking system at the Mirage Bank on Institution grounds. Monthly reconciliation of accounts also needed to be timely. IA made recommendations to limit access to the banking system, for the renewed segregation of duties to ensure adequate controls, to encourage periodic independent reviews, the use of restricted endorsements and pre-numbered cash deposits tickets, and two keys for the locking bank deposit bag. Management concurred with recommendations and immediately implemented procedural changes. Numerous controls were put in place such as limitation of access to a new banking system, renewed segregation of duties, pre-numbered cash deposit slips and restricted endorsements, as well as the use of Seal Press and Cloth Coin bags.
17. A-19-0506-051 **Improving Controls Over Wireless Networks.** The objectives of this audit were to determine whether the department has assessed the risks associated with implementing wireless networks (WLAN) and implemented adequate controls to mitigate potential risks. IA identified the following deficiencies in WLAN controls: inadequate written guidance governing the secure implementation and use of WLANs; lack of established formal training on security vulnerabilities unique to using wireless technologies; and, lack of a comprehensive WLAN monitoring program. The Chief Information Officer has concurred and agreed to take appropriate corrective actions.
18. A-21-0506-035 **DCF Workers Compensation Claims Declining But Reporting of Employee Injury Data Needs Improvement.** The purpose of this audit was to assess efficient delivery of workers' compensation benefits to injured DCF employees, improve working conditions of employees, and minimize workers' compensation claims and employee days away from work. IA found that DCF workers' compensation claims have significantly declined since 2001; however, IA also found that DCF employees and supervisors, as well as

Section G: Appendix I - Internal and Single Audit

managed care provider CorVel Corporation, are failing to meet certain workers' compensation reporting requirements. IA recommended that district human resource personnel (1) periodically e-mail employees and supervisors to remind them to immediately report work-related injuries or illnesses to their supervisors and CorVel, respectively; (2) immediately notify CorVel when workers' compensation contact personnel are terminated or reassigned; (3) submit injury and other workers' compensation information to CorVel online rather than via telephone; and lastly (3) report their lack of satisfaction with managed care services to the Department of Financial Services' Division of Risk Management. Management concurred with the recommendations and indicated that appropriate corrective action will be taken.

19. C-07-0506-098

Issues Affecting Act Corporation's Financial Condition. Management requested this consulting project to ascertain the current financial condition of Act Corporation (Act) in light of statements made by its President and CEO Wayne Dreggors, that Act faces an imminent cash flow crisis. IA determined that through a series of management decisions, in expectation of Medicaid managed care and operating expenses which have materially exceeded budget, Act has incurred approximately a \$1.8 million deficit for the nine-month period ended March 31, 2006. The report provides details of Act's management decisions and its investment in a Subchapter S Corporation, and offers recommendations to ensure client services are not adversely affected. Management of the Mental Health Program Office concurred with the recommendations and agreed to carefully monitor this situation to ensure that clients are not harmed by any financial losses and/or restructuring of Act.

20. C-07-2005-013

Florida State Hospital Food Service Management Contract Has Improved Operations, But Should Be Re-evaluated. This study was undertaken to address concerns expressed by the Administrator of Florida State Hospital regarding the pharmaceutical inventory system and the apparent inability to accurately reconcile the "systems" total to a physical count. IA identified conditions that impact the ability to maintain an effective control of the pharmacy inventory. The pharmacy has a hybrid system that uses two different antiquated databases, and the physical layout of the pharmacy building impacts control of the inventory. IA recommended the updating of data systems and improving the physical layout of the pharmacy to provide a foundation on which accountability, associated with a perpetual inventory system, could be achieved. Management concurred with the recommendations and was pursuing corrective action.

21. C-15-0506-023

Fiscal Monitor for Community-Based Care Agencies. This consulting project was requested by management to assist in the development of an action plan for fiscal monitoring of CBC lead agencies. IA participated in a workgroup to assist districts in obtaining services of a fiscal monitor for the community-based care lead agencies. In that role, IA prepared the following documents: a spreadsheet summarizing by district the status of procuring a fiscal monitor; a risk matrix that districts can complete to determine the tasks address the greatest risks and therefore should be purchased from the fiscal monitor; and a table that groups task by activity and estimates the cost to purchase these tasks.

22. C-18-0506-047

Improving Contract Management and Oversight: Causes and Risks Associated with 226 Contract Monitoring Findings. This consulting project summarized and analyzed 226 findings included in 103 contract monitoring reports from the Contract Oversight Units throughout the state while those units were assigned to the OIG. This project also included

Section G: Appendix I - Internal and Single Audit

identification of the possible underlying causes and risks associated with contract noncompliance, best practices, and alternative solutions to address the causes. Systemic and continuing findings of contractual noncompliance were identified which present opportunities for improving service delivery and improving the departments ability to safeguard the states resources.

For Family Safety/CBC, significant areas of contract noncompliance included foster home licensure, incident reporting requirements, and invoicing. For SAMH, the most significant areas of contract noncompliance included service documentation, performance data, invoicing, and employee background screening. Management of Operations, Provider Relations, SAMH, and Quality Management developed plans for addressing major areas of noncompliance, some of which have already been implemented.

23. M-15-0506-057

Provider Audit Unit Facilitates the State and Federal Single Audit Requirements for the Department of Children and Families. This consulting report reviewed, evaluated and made recommendations for improvement in the Provider Audit Unit, a three person unit, recently assigned to the Inspector General's office. This unit provides accountability in the contracting process by facilitating, coordinating and following-up on State and Federal Single Audit requirements. Opportunities for improvement were identified including using the Integrated Internal Audit Management System (IIAMS) system to document the examination of provider independent audits. The recommendations were either immediately implemented or will be completed over the next few months.

List of Follow-up Reports Completed During FY 2005-2006

1. E-05-0405-002 Six-month Status Report for Auditor General Report # 2005-119, Independent Living Transition Services Program (Report Issued 2/16/06; Follow-Up Status Issued 9/30/05)
2. E-19-0405-001 Six-month Status Report for Auditor General Report # 2005-106, The Florida On-line Recipient Integrated Data Access System, Information Technology Audit (Report Issued 1/20/05; Follow-Up Status Issued 9/30/05)
3. E-05-0506-060 Six-month Status Report on OPPAGA Report #05-12, Child Welfare Transition Nearly Complete; Budget Allocation and Oversight Systems Need Strengthening (Report Issued 3/05; Follow-Up Status Issued 3/09/06)
4. E-18-0405-003 Status of All Findings in the AG Summary Schedule of Prior Audit Finding, Florida Department of Children and Families, for the Fiscal Year Ended June 30, 2005. (Status Issued 9/28/05; Report Issued 3/27/06)
5. E-09-0405-005 Six-month Status Report on OPPAGA Report #05-06, DOEA Has Taken Reasonable Steps to Begin the Aging Resource Center Initiative (Report Issued 2/05; Follow-up Status Issued 9/30/05)
6. E-09-0405-006 Six-month Status Report for OPPAGA Report #05-07, Centralizing DCF Substance Abuse and Mental Health Programs Provides Benefits But Also Challenges (Report Issued 2/05; Follow-up Status Issued 9/30/05)
7. E-18-0506-113 Six-month Status Report for AG Report #2005-158, State of Florida Compliance and Internal Controls Over Financial Reporting and Federal Awards for the Fiscal Year Ended June 30, 2004 (Report Issued 3/28/05; Follow-up Status Issued 10/4/05)

Section G: Appendix I - Internal and Single Audit

List of External Audit Reports Issued During FY 2005-2006

Auditor General:

1. 2006-152 Audit on Compliance and Internal Controls over Financial Reporting and Federal Awards for the Fiscal Year Ended June 30, 2005 (Issued 3/27/06)

OPPAGA:

2. 05-39 Disabilities Groups Should Improve Coordination, But Duplication of Activities Appears to Be Low (Issued 7/05)
3. 05-40 Progress Report: After Further Delay, DCF Redesigning Child Welfare Training and Taking Steps to Clarify Case Transfer (Issued 8/05)
4. 05-45 Aging Resource Center Initiative Is Moving Ahead, But Needs Additional Work (Issued 8//05)
5. 05-47 Progress Report: Child Welfare Legal Services Makes Some Improvements, But Other Changes Needed (Issued 9/05)
6. 05-61 Improvement in Independent Living Services Will Better Assist State's Struggling Youth (Issued 12/05)
7. 05-62 A Medicaid Buy-in Program Would Increase Health Care Access for the Uninsured But Also Increase State Costs (Issued 12/05)
8. 06-05 Additional Improvements Are Needed as DCF Redesigns Its Lead Agency Oversight Systems (Issued 1/06)
9. 06-12 Centralizing DCF Substance Abuse and Mental Health Programs Produce Benefits (2/06)
10. 06-16 The Department of Children and Families Has Taken Steps to Address 2005 Contracting Law (Issued 2/06)
11. 06-20 Aging and Disability Pilot Sites Are Making Progress; Future of Other Centers Uncertain (Issued 03/06)
12. 06-21 Substance Abuse and Mental Health Corporation Made Progress But Needs More Narrow Focus (Issued 3/06)
13. 06-47 Progress Report: Adult Protective Services Takes Steps to Improve Coordination with Local Law Enforcement Agencies (Issued 5/06)
14. 06-50 Child Welfare System Performance Mixed in First Year of Statewide Community-Based Care (Issued 6/06)

Department of Financial Services:

15. Review of Children's Mental Health Contractual Service Agreements (Issued 12/5/05)
16. Review of DCF Payroll Related Processes (Issued 5/16/06)

Section G: Appendix II - Investigations

Investigations' Case Descriptions (FY 2005-2006)

District 1

No full investigations were conducted in this District.

District 2

1. 2005-0050 A Child Protective Investigator inappropriately accessed HomeSafenet. **Supported.** A second CPI allegedly released confidential client case information. **Not Supported.**
Corrective Action: The CPI found to have inappropriately accessed HomeSafenet resigned during the course of the investigation.
2. 2005-0077 A Senior Clerk at Florida State Hospital admitted that while on duty, he utilized a state computer for personal use including personal use of email and accessing a pornographic website. **Supported.**
Corrective Action: The subject resigned during the course of the investigation and is not eligible for rehire. As the computer was used by multiple employees, FSH Information Technology personnel have ensured that computers will automatically logoff after ten minutes of inactivity.

District 3

1. 2005-0051 A Purchasing Agent at Northeast Florida Evaluation and Treatment Center inappropriately awarded state contracts to businesses that provided him with low bids for personal business. **Not Supported.**
2. 2005-0084 A former Adoption Specialist inappropriately accessed child abuse report information without authorization. **Supported.** A Child Protective Investigator inappropriately accessed and disclosed confidential client information without authorization. **Neither Supported nor Refuted.**
Corrective Action: The Adoption Specialist was terminated and the CPI received a documented counseling notice as a result of the investigation. The matter was referred to law enforcement for consideration of possible criminal prosecution. An Inspector General Advisory relating to appropriate access of client records has been included in District contract renewals and subcontracts under the community based care agency.
3. 2006-0012 A Child Protective Investigator disclosed confidential child abuse information to unauthorized persons. **Not Supported.**
4. 2006-0018 A Child Protective Investigator Supervisor knowingly violated a "no contact" court order by facilitating a parent-child visitation. **Supported.** The CPIS inappropriately accessed and released confidential child abuse information. **Not Supported.**
Corrective Action: The subject was suspended for three days as a result of the investigation. The matter was referred to the State Attorney for consideration of possible criminal prosecution, however, no charges were filed.
5. 2006-0023 A Paralegal inappropriately accessed and released confidential child abuse information. **Not Supported.**

District 4

1. 2005-0054 A Child Protective Investigator failed to safeguard child protective investigative reports allowing her children an opportunity to read case reports. **Not Supported.**

Section G: Appendix II - Investigations

2. 2005-0058 A former Child Protective Investigator Supervisor interfered in cases involving her personal friends and acquaintances and falsified a Child Care Authorization form enabling an acquaintance to obtain benefits they were not entitled to. **Supported.** The CPIS released confidential client information and provided false testimony to a judge. **Not Supported.**
Corrective Action: The subject resigned her position during the course of the investigation and a criminal case is ongoing for uttering a forged document.
3. 2005-0062 Administrators at Northeast Florida State Hospital failed to administer appropriate disciplinary action to employees suspected of selling drugs, alcohol, and food items to residents. **Not Supported.** NEFSH Administrators failed to administer appropriate disciplinary action to an employee for sexually assaulting a resident. **Not Supported.** Administrators inappropriately hired their relatives. **Neither Supported nor Refuted.**
Corrective Action: The Hospital Attorney must be made aware of all hiring of relatives that could be perceived as nepotism.
4. 2005-0068 The District Administrator released confidential client information to an unauthorized individual. **Not Supported.**
5. 2005-0069 A Child Protective Investigator released confidential client information and misused her Department badge to obtain access to a restricted child support hearing. **Not Supported.**

SunCoast

1. 2005-0013 A Case Manager for a provider agency and a Medical Foster Care provider failed to report obvious indicators of child abuse. **Supported.**
Corrective Action: The Case Manager resigned during the course of the investigation and the foster parent's license was revoked. Risk assessment training was provided to staff and a risk review was conducted on all children under five years old. The matter was also referred to law enforcement for possible criminal prosecution.
2. 2005-0030 A provider agency's supervisor inappropriately accessed a confidential child abuse investigation involving her son without authorization. **Supported.**
Corrective Action: The supervisor was suspended for 15 days for the incident.
3. 2005-0034 A Case Manager of a provider agency falsified a foster child's visitation records. **Supported.** The Case Manager also inappropriately had her child accompany her to a foster home during a visitation and brought a foster child to her home. **Supported.**
Corrective Action: The Case Manager resigned prior to the investigation.
4. 2005-0039 A Care Team Coordinator of a provider agency had an inappropriate sexual relationship with a department child client. **Not Supported.** This matter was worked jointly with law enforcement.
5. 2005-0064 A Child Protective Investigator falsified records pertaining to a protective investigation. **Supported.**
Corrective Action: The subject employee resigned during the course of the investigation. The matter was referred to law enforcement for consideration of possible criminal prosecution.
6. 2005-0074 A resident at the Florida Civil Commitment Center complained to staff about other residents. FCCC Staff revealed the complainant's identity to those named in the complaint, placing the complainant in jeopardy. **Not Supported.** An FCCC Security Officer failed to investigate the original complaint. **Not Supported.**

Section G: Appendix II - Investigations

7. 2005-0080 An Economic Self-Sufficiency Specialist defrauded public funds by creating a false public assistance case and had benefits forwarded to his home. **Supported.**
Corrective Action: The subject's employment was terminated during the course of the investigation. The matter was referred to law enforcement for consideration of possible criminal prosecution and the subject was arrested for public assistance fraud. The case is currently pending.
8. 2005-0083 A Florida Civil Commitment Center employee had an inappropriate sexual relationship with a resident. **Not Supported.**
9. 2006-0001 A contracted provider falsified mental health records and failed to provide proper client care. This investigation was terminated and referred to the program office for handling.
10. 2006-0007 A Case Manager for a provider agency falsified two case visitation records. **Supported.**
Corrective Action: The subject employee resigned prior to the investigation. The matter was referred to the State Attorney for consideration of possible criminal prosecution.
11. 2006-0019 An Economic Self-Sufficiency Supervisor provided an Economic Self-Sufficiency Specialist with his database password which she used to fraudulently generate cash payments to herself totaling \$18,682. **Supported.**
Corrective Action: The subject employee resigned prior to the investigation and all ESS employees were advised of computer and ethical fitness. The matter was referred to law enforcement for consideration of possible criminal prosecution.

District 7

1. 2005-0029 Two Economic Self-Sufficiency employees approved public assistance benefits to a family that was not entitled. **Not Supported.**
2. 2005-0036 A Child Protective Investigator forged client signatures on HIPPA forms and falsified case files. **Supported.**
Corrective Action: The CPI resigned prior to the initiation of the investigation. The case was referred to law enforcement and pending criminal investigation.
3. 2005-0049 A former Family Services Counselor falsified Child Care Facility Inspection checklists and travel vouchers. **Supported.** The FSC forged checklists and coerced child care facility employees into signing false checklists. **Neither Supported nor Refuted.**
Corrective Action: The subject's employment was terminated during the course of the investigation and the matter is currently being prosecuted in a criminal court. The office was reorganized to include additional supervision.
4. 2005-0052 A Quality Control Analyst accessed confidential client information without authorization. **Supported.**
Corrective Action: The employee received a written counseling notice.
5. 2005-0053 Substance Abuse and Mental Health Program Managers violated conflict of interest regulations during contract negotiations. **Supported.**
Corrective Action: Program supervisors were provided with policies and procedures regarding ethical standards.
6. 2005-0057 A Child Protective Investigator and CPI Supervisor released confidential client information and failed to conduct a thorough and unbiased child abuse investigation. **Not Supported.**
7. 2005-0067 A Child Protective Investigator falsified home visits in two child safety assessments. **Supported.**

Section G: Appendix II - Investigations

- Corrective Action:** The subject employee resigned during the course of the investigation and the matter was referred to law enforcement for consideration of possible criminal prosecution.
8. 2005-0076 Three employees representing three separate community based care organizations improperly placed a child with a CBC employee. **Supported.**
Corrective Action: The lead CBC agency created policy preventing their agencies from licensing foster homes of staff members and requiring a higher level of written approval for non-relative placements.
9. 2005-0078 District administration refused to authorize sufficient overtime pay despite staff shortages that necessitated overtime. **Not Supported.** The District and Operations Administrators showed favoritism towards a parent by directing that a child not be removed despite grounds to do so. **Not Supported.** The District Administrator and Chief Legal Counsel inappropriately approved a negative home study allowing two children to be adopted by an individual who later was arrested for sexual battery on children. **Not Supported.** A Program Administrator sexually harassed her subordinates and had an inappropriate personal relationship with the parent of a client. **Supported.**
Corrective Action: The Program Administrator resigned after the investigation was closed. Employees with any overtime discrepancies were identified and reimbursed.
10. 2005-0085 A Child Protective Investigator falsified multiple visitation records in an investigation. **Supported.**
Corrective Action: The subject employee resigned during the course of the investigation and was subsequently arrested for falsification.
11. 2005-0087 A former Child Protective Investigator falsified multiple home visits during protective investigations. **Supported.**
Corrective Action: The employee resigned prior to the case and the matter was referred to law enforcement for consideration of possible criminal prosecution.
12. 2005-0092 A Child Protective Investigator falsified information regarding collateral contacts in a protective investigation. **Supported.**
Corrective Action: The employee resigned during the course of the investigation and the matter was referred to law enforcement for possible criminal prosecution; however, no charges were filed.
13. 2006-0004 An Operations Administrator used a state laptop computer to access pornographic websites. **Supported.**
Corrective Action: The subject resigned during the course of the investigation.
14. 2006-0014 An unidentified department employee released confidential child abuse case information. **Not Supported.**
15. 2006-0016 A Child Protective Investigator accessed confidential case information without authorization. **Supported.** The CPI inappropriately released the confidential information. **Not Supported.**
Corrective Action: The subject resigned during the course of the investigation.
16. 2006-0022 A Child Protective Investigator had inappropriately sexual contact with the mother of two child clients. **Neither Supported nor Refuted.**
Corrective Action: The employee was counseled and required to review applicable department standards and procedures.

Section G: Appendix II - Investigations

District 8

1. 2005-0045 A Child Protective Investigator falsified home visits in a child protective investigation. **Supported.**
Corrective Action: The subject's employment was terminated during the course of the investigation. The matter was referred to the Office of the State Attorney for possible criminal prosecution.
2. 2005-0095 A Child Protective Investigator falsified home visits in a child protective investigation. **Supported.**
Corrective Action: The subject's employment was terminated during the course of the investigation. The matter was referred to the State Attorney for possible criminal prosecution.
3. 2006-0026 A Child Protective Investigator falsified documentation regarding the completion of a criminal check and drug screen in a child protective investigation. The CPI also falsely claimed to have obtained information from a child client. **Supported.**
Corrective Action: The subject employee resigned during the course of the investigation.

District 9

1. 2005-0025 A contracted provider employee and Dependency Case Manager, failed to report suspected child abuse. **Not Supported.**
2. 2005-0027 Three contracted employees falsified refugee placements in an effort to meet their individual quotas. **Supported.** Two of the three contracted employees operated a personal business in the office and charged clients for their services. **Neither Supported nor Refuted.**
Corrective Action: The three staff involved either resigned or were terminated. Quality Assurance reviews were conducted by the contractor and program office. A total of \$18,302 of services were improperly billed and returned to the department.
3. 2005-0037 A Child Protective Investigator was alleged to have removed more children from their homes than any other CPI in the service center. **Not Supported.** Favoritism occurred due to a romantic relationship between a supervisor and subordinate. **Not Supported.** A department service center was determined to be a hostile work environment due to inappropriate sexual comments and actions. **Supported.**
Corrective Action: Equal opportunity, diversity, and sexual harassment training was provided to all employees.
4. 2005-0048 An employee of a contracted provider falsified child protective records to make it appear child visitations occurred in foster homes. **Supported.**
Corrective Action: The matter was referred to the State Attorney for possible criminal prosecution.
5. 2005-0059 An employee of a contracted provider falsified two months of foster child visitations. **Supported.**
Corrective Action: The subject's employment was terminated prior to the investigation. This matter was referred to the State Attorney for possible criminal prosecution; however, no charges were filed.
6. 2005-0071 Two Child Protective Investigators inappropriately accessed child protective investigative records without authorization. **Not Supported.** An unidentified department employee released confidential client information to an unauthorized individual. **Neither Supports nor Refutes.**

Section G: Appendix II - Investigations

7. 2005-0072 A Child Protective Investigator falsified records pertaining to a protective investigation. **Supported.**
Corrective Action: The subject's employment was terminated during the course of the investigation. The matter was referred to the State Attorney for possible criminal prosecution; however, no charges were filed.
8. 2005-0075 A contracted provider's case manager falsified three child visitation records. **Supported.**
Corrective Action: The subject employee resigned during the course of the investigation. This matter has been referred to the State Attorney for possible criminal prosecution.
9. 2005-0088 A department employee misused her position by accepting and approving applications for disaster food stamps prior to the official application period and at an unapproved location. **Supported.**
Corrective Action: As the subject used an unapproved sample application for the food stamps, the word "sample" has been placed on all nonofficial applications. The subject employee received a final counseling notice.
10. 2005-0093 An Information Technology Manager violated state purchasing rules by purchasing \$130,000 worth of printer cartridges from a company in return for a personal benefit. **Not Supported.** A conflict of interest existed between the IT Manager and a second company doing business with the state that employs a relative. **Not Supported.**

District 10

1. 2005-0090 A department contractor responsible for distributing bus passes to providers of homeless services inappropriately sold the passes to the providers in violation of the contract. **Not Supported.**
2. 2006-0003 The President and General Counsel of a contracted provider inappropriately disclosed confidential client information to an unauthorized individual. **Supported.**
Corrective Action: This matter was referred to the State Attorney for possible criminal prosecution; however, no charges were filed.

District 11

1. 2005-0032 Managers of a contracted provider instructed staff to falsify mental health client case files. **Not Supported.**
2. 2005-0038 A department employee misused her position and received inappropriate compensation for assisting her daughter's company in a contract agreement with a department contractor. **Not Supported.**
3. 2005-0066 An Economic Self-Sufficiency Specialist certified a client as eligible for the Medically Needy Program without proper documentation then attempted to fabricate the missing document to avoid disciplinary action. **Supported.**
Corrective Action: The employee resigned in lieu of termination prior to the investigation. The matter was referred to law enforcement for consideration of possible criminal prosecution.
4. 2005-0089 Four temporary department employees (**3-Neither Supported nor Refuted, 1-Not Supported**) knowingly assisted applicants and friends in fraudulently obtaining Food for Florida public assistance. Two South Florida Evaluation Treatment Center employees (both **Supported**), an Administrative Assistant (**Supported**), and a Budget Analyst (**Not Supported**) misrepresented information in their Food for Florida Applications.

Section G: Appendix II - Investigations

Corrective Action: Changes to the application process were made including, employee applicants will be interviewed and have their applications reviewed by employees with no known relationship and future trainings will contain indicators of fraud. Supported allegations were referred to law enforcement for consideration of possible criminal prosecution.

5. 2005-0094 A former Family Services Counselor prepared an affidavit containing false information on department letterhead. The affidavit was submitted to a foreign government court which persuaded the court to allow a mother who had fled the United States to retain custody of her child. **Supported.** The former employee also released confidential client information. **Supported.**
Corrective Action: The subject's employment was terminated prior to the investigation. The matter was referred to the local State Attorney for possible criminal prosecution, the Florida Notary Public Commission, and the U.S. Department of State.
6. 2006-0005 A Case Manager and her supervisor documented false information regarding home visits for a foster child. **Not Supported.**
7. 2006-0021 A Child Protective Investigator inappropriately accessed child protective investigative information without authorization (**Supported**) and released confidential client information (**Not Supported**) to an unauthorized individual. An Economic Self-Sufficiency Specialist released confidential client information. **Not Supported.**
Corrective Action: The investigation was referred to the State Attorney for possible criminal prosecution; however, no charges were filed.
8. 2006-0024 A Senior Attorney misrepresented information with the intent to deceive a county judge. **Not Supported.**
9. 2006-0027 A Child Protective Investigator released confidential client information to an unauthorized individual. **Not Supported.**

District 12

1. 2005-0007 A Child Protective Investigator failed to conduct a sufficient investigation resulting in a child inappropriately remaining in the custody of the heroin-addicted mother for four months. **Supported.**
Corrective Action: The Child Protective Investigator and his supervisor received a written and verbal counseling respectfully.
2. 2005-0035 A Substance Abuse and Mental Health Program Director created a conflict of interest by serving on the Board of Directors for a contracted provider. **Not Supported.**
3. 2005-0055 A Child Protective Investigator falsified case information (**Supported**) and misrepresented material facts during a legal staffing (**Not Supported**).
Corrective Action: The subject employee was terminated as a result of the investigation and the matter was referred to law enforcement for possible criminal prosecution.
4. 2005-0079 A Chief Executive Officer and a Chief Financial Officer of a contracted provider were aware of Medicaid over billing and took no actions to prevent it. **Referred to Another Agency for Investigation.** The CEO and CFO also diverted funds for client services to administrative functions. **Not Supported.** A former department employee who served as contract manager over the provider resigned her position and became employed with the provider. **Referred to Another Agency for Investigation.**
5. 2006-0010 An Adult Protective Investigator falsified case information regarding a visitation with the alleged victim. **Supported.**

Section G: Appendix II - Investigations

Corrective Action: The subject employee resigned during the course of the investigation. The matter was referred to law enforcement for consideration of possible criminal prosecution.

6. 2006-0015 A provider employee falsified records involving nine visitations conducted by another state. **Supported.**
Corrective Action: The employee resigned prior to the investigation. The matter was referred to law enforcement for consideration of possible criminal prosecution.
7. 2006-0036 A Child Protective Investigator released confidential case information to unauthorized persons. **Not Supported.**

District 13

1. 2005-0021 Two department employees inappropriately accessed and released confidential client information without authorization. **Not Supported.**
2. 2005-0042 A Child Protective Investigator had an inappropriate sexual relationship with the adult daughter of a person he was investigating for child abuse. **Supported.**
Corrective Action: The subject's employment was terminated prior to the investigation.
3. 2005-0061 A Child Protective Investigator falsified attempted contacts and other investigative records. **Supported.**
Corrective Action: The subject's employment was terminated prior to the investigation and the matter was referred to the State Attorney; however, no criminal prosecution occurred.
4. 2005-0065 An Adult Protective Investigator released the identity of an individual who confidentially made an allegation of abuse. **Supported.**
Corrective Action: The subject employee resigned during the course of the investigation.
5. 2005-0073 A Child Protective Investigator released the identity of an individual who confidentially made an allegation of abuse. **Not Supported.** The CPI also failed to remove two children from two separate investigations. **Neither Supported nor Refuted / Not Supported.**
Corrective Action: The subject employee resigned during the course of the investigation.
6. 2006-0017 A Case Manager for a provider agency falsified child protective supervision records. **Neither Supported nor Refuted.** A Child Protective Investigator failed to enter proper chronological case notes into HomeSafenet in a timely manor. **Supported.**
Corrective Action: The Case Manager resigned during the course of the investigation. Actions to strengthen communication and cooperation between the District and provider have been taken. Additional training for all staff has been implemented.
7. 2006-0025 A Child Protective Investigator falsified child abuse protective investigation records. **Supported.** The CPI released confidential criminal history information to an unauthorized individual. **Not Supported.**
Corrective Action: The subject's employment was terminated during the course of the investigation and the matter was referred to the State Attorney for consideration of possible criminal prosecution.

Section G: Appendix II - Investigations

District 14

1. 2005-0028 A Child Protective Investigator made sexual comments to and intimately touched a parent of a child. This matter was worked jointly with law enforcement. **Not Supported.**

District 15

1. 2006-0006 A Case Manager for a provider agency had foster parents and relatives sign blank forms in an attempt to document visitations that did not occur. **Neither Supported nor Refuted.**
Corrective Action: The subject's employment was terminated prior to the investigation.
2. 2006-0013 An Economic Self-Sufficiency Specialist received inappropriate compensation in the form of meals and cash from HMO representatives for information regarding benefits approvals for clients. **Supported.**
Corrective Action: The subject resigned in lieu of termination during the course of the investigation. The matter was referred to law enforcement for consideration of possible criminal prosecution. The subject was arrested and is awaiting trial.

Central Office

1. 2005-0031 A Program Director instructed an employee to circumvent the competitive procurement process. **Not Supported.** A Senior Management Analyst Supervisor instructed staff to write an Invitation to Negotiate that favored a specific vendor. **Neither Supported nor Refuted.**
2. 2005-0043 A Program Director and the Executive Director of a provider agency inequitably distributed funds to smaller provider agencies and lowered staff credential requirements placing clients at risk. **Not Supported.**
3. 2006-0020 An Application Systems Programmer and an Office Automation Specialist inappropriately accessed and released confidential public assistance information to an unauthorized individual. **Not Supported.**

Section G: Appendix II - Investigations

Investigations Management Review Descriptions (FY 2005-2006)

District 2

2005-0019 A complainant provided six cases believed to contain child safety concerns. The cases were focused in Holmes County. The primary concern included failure by staff to conduct diligent searches causing unnecessary delays in child permanency. There was evidence found to substantiate the complaint; however, it was believed to be a systemic problem rather than an isolated incident.

District 3

2006-0032 The District Administrator requested an independent survey of the Child Protective Investigation Units within her area. She reported that staff in two counties within the District had expressed concerns about their work environment, management support, and teamwork within their CPI units. OIG staff surveyed CPI staff in all ten units within the district.

District 7

2005-0033 It was revealed that a lack of oversight existed with the District's form letter used to purchase clothing items for needy children in out-of-home care. A contracted provider's Caseworker along with multiple non-employee associates took advantage of the situation by forging over 100 form letters and using them to defraud the department of approximately \$14,000 worth of merchandise. The matter was also referred to law enforcement for possible criminal prosecution.

2006-0002 It was alleged that through instruction by management, District 7 personnel in Brevard County documented that every deceased child was observed at the time of commencement of the applicable abuse report, even when the deceased child was not actually observed. Twelve child death cases were reviewed and in each case the investigator that commenced the case said they did not see the victim, but supervisors entered or directed investigators to enter the time of commencement as the time the deceased child was seen, even though the child was not seen. The instruction was attributed to the Operations Administrator. As a result of this review the Family Safety Director issued a memorandum stating, in part, "Effective immediately, investigations of child fatalities will not require that protective investigators physically view the deceased child in order to document that victim has been seen within the required time frame." Investigators have been instructed on the proper method to document the use of collateral verification of a deceased child in the "child not seen" data field of HomeSafenet.

District 9

2005-0044 Several anonymous complaints were received regarding Adult Protective Investigators in Lake Worth being prohibited from receiving overtime payments. It was found that employees were permitted the opportunity to accrue FLSA hours or flex-out all hours worked over 40 in one week. A past proposal to require employees to waive payment of overtime in lieu of FLSA was not adopted as District policy.

District 14

2005-0046 This review revealed that, despite a complaint to the contrary, a contracted provider's Case Manager did not have a caseload which contained an individual she was dating or her half-sibling.

Section G: Appendix III – Strategic Plan

OFFICE OF THE INSPECTOR GENERAL

Enhancing Public Trust in Government

Provide Leadership in the Promotion of Accountability and Integrity of State Government

O-1 OBJECTIVE

HIGH ETHICAL AND MORAL STANDARDS

Success Indicator:	Strategies:
<p>SI-OIG-1 Office is known to be proactive, credible, responsive, impartial, independent, and serves as a mechanism to assist management.</p>	<p>S-OIG-1a Strengthen the ethical values of the agency through the development and implementation of an on-line mandatory ethical training program for department staff, contractors and providers.</p>

ACTION STEPS:

All OIG sections

1. Bring together representatives of all IG offices to collaborate with Human Resources, the Department's Ethics Officer and community partners to develop ethics training.
2. Evaluate the Department's current ethical climate.
3. Develop training targeting weakness determined in the evaluation, problems areas identified investigations, audits and reviews.
4. Implement training using latest technology so that every employee participates.
5. Evaluate the effectiveness of the training and use the feedback to improve its delivery.

Section G: Appendix III – Strategic Plan

OFFICE OF THE INSPECTOR GENERAL

Enhancing Public Trust in Government

Provide Leadership in the Promotion of Accountability and Integrity of State Government

O-1 OBJECTIVE

HIGH ETHICAL AND MORAL STANDARDS

Success Indicator:	Strategies:
<p>SI-OIG-1 Office is known to be proactive, credible, responsive, impartial, independent, and serves as a mechanism to assist management.</p>	<p>S-OIG-1b Seek opportunities by fostering relationships with DCF employees, outsourced partners, stakeholders, and other agencies; set reasonable constraints for response to provide valuable information timely; maintain independence and impartiality, including perception of such.</p>

ACTION STEPS:

All OIG sections develop strategies to:

1. Seek opportunities for assistance through risk analyses and meetings with district administrators, program directors, outsourced providers, and contractors' management staff, contract managers and oversight units, and law enforcement agencies. Develop partnerships and act on topics identified by staff.
2. Set reasonable and appropriate constraints for report/data release and for mandated activities.
3. Ensure oversight without affecting independence and impartiality.

In addition:

Investigations

Coordinate investigations involving criminal violations with law enforcement agencies; as appropriate, provide officials with updates during investigations without compromising investigations; report on management's corrective action as result of investigative findings; reference self-reported incidents in investigative reports and reviews.

Internal Audit

Encourage and motivate staff to seek out high level issues and concerns as audit topics.

Quality Control

Expand participation in Accuracy Improvement Meetings statewide to keep program management informed of problems in eligibility determination.

Appeal Hearings

Provide ongoing ethics and professional standards training to the hearing officers.

Section G: Appendix III – Strategic Plan

OFFICE OF THE INSPECTOR GENERAL

Enhancing Public Trust in Government

Provide Leadership in the Promotion of Accountability and Integrity of State Government

O-1 OBJECTIVE

HIGH ETHICAL AND MORAL STANDARDS

Success Indicator:	Strategies:
SI-OIG-2 Public awareness of OIG functions or activities increases.	S-OIG-2 Plan and perform outreach activities. Increase awareness of the purpose and function of the OIG and its sections to DCF employees, outsourced partners, and stakeholders.

ACTION STEPS:

All OIG sections develop strategies to increase public awareness of OIG functions and activities. Examples are following:

1. Develop and maintain Office website to include information on each section's purpose, references, processes, reports and data. This also includes development of inter/intra-net PowerPoint presentations to inform DCF staff of each section's purpose and function to encourage participation of districts/regions and stakeholders.
2. Post bulletins and advisories on the website; and produce quarterly bulletins concerning ethical and accountability issues.

In addition:

Investigations

Increase awareness of the OIG internet website with regard to the Whistle-blower Hotline.

Quality Control

Expand participation in ACCESS Florida conferences and meetings. Increase involvement with the local program staff in presentations to their staff for a better understanding of Quality Control and its function.

Section G: Appendix III – Strategic Plan

OFFICE OF THE INSPECTOR GENERAL

Enhancing Public Trust in Government

Provide Leadership in the Promotion of Accountability and Integrity of State Government

O-2 OBJECTIVE

EMPLOY TECHNOLOGICAL ADVANCES AND OPPORTUNITIES

Success Indicator:	Strategies:
<p>SI-OIG-3 The Office has current, accessible web-based systems and record keeping systems.</p>	<p>S-OIG-3 Modernize database and record keeping systems; develop and implement web-based systems that are updated on a regular basis and include presentations to explain functions by section.</p>

ACTION STEPS:

All OIG sections implement and support web-based systems, including upgrading to web-based databases. This includes development of procedures for such systems.

In addition:

Investigations
Implement enhancements to the Investigations Database.

Internal Audit
Continue enhancements to the Integrated Internal Audit Management System.

Quality Control
Modify web system to include negative reviews and to produce additional reports to assure timely, accessible data for ACCESS; use technology to ensure efficient and uniform case preparation, interview process, field visits, and review process; and, evaluate and analyze effects of modernization.

Appeal Hearings
Utilize the ACCESS on-line record process, and the web-based application, include information on the hearing process for individuals who might appear before a hearing officer.

Civil Rights
Employ cost allocation reporting system for federal matching dollars; implement an automated tracking system to effectively monitor quality assurance; utilize the Automated Tracking System to promote equal opportunity.

Section G: Appendix III – Strategic Plan

OFFICE OF THE INSPECTOR GENERAL

Enhancing Public Trust in Government

Provide Leadership in the Promotion of Accountability and Integrity of State Government

O-3 OBJECTIVE

LESSEN LIABILITY FOR THE DEPARTMENT

Success Indicator:	Strategies:
<p>SI-OIG-4 Office staff are qualified, certified where appropriate, and meet federal and national standards.</p>	<p>S-OIG-4 Recruit talented, diverse and capable staff, offer dynamic and useful training, provide appropriate work tools, and have reasonable and applicable performance standards that motivate staff to excellence.</p>

ACTION STEPS:

All OIG sections develop strategies for recruitment and training. Procedures and standards are updated. Work tools are appropriate and adequate.

In addition:

Investigations

Develop an internship program to attract talented individuals interested in pursuing careers in investigations.

1. Develop balanced curriculum for interns that will expose them to OIG process while utilizing their skills and abilities to increase office productivity.
2. Contact educational institutions that might be interested in placing interns.
3. Develop processes and standards to evaluate intern performance.
4. Provide feedback as requested by the educational institution on intern performance.

Internal Audit

Ensure compliance with continuing education requirements and cross-reference performance standards with strategic planning. Expand recruitment: make on-site visits to local university MBA/MPA schools, and job fairs; and post/advertise job vacancies on web sites related to IG profession including www.theiia.org and at state universities with MBA and MPA programs. Incorporate updated office operating procedures into the IIAMS user manual.

Appeal Hearings

Have all supervisory staff certified through the National Association of Hearing Officials. Encourage certification of the hearing officers.

Section G: Appendix III – Strategic Plan

OFFICE OF THE INSPECTOR GENERAL

Enhancing Public Trust in Government

Provide Leadership in the Promotion of Accountability and Integrity of State Government

O-3 OBJECTIVE

LESSEN LIABILITY FOR THE DEPARTMENT

Success Indicator:	Strategies:
SI-OIG-5 Office produces well-written, reliable and supported work products.	S-OIG-5 Establish quality assurance activities for work products and staff.

ACTION STEPS:

All OIG sections establish and implement quality assurance activities and follow professional standards. Procedures are updated/established to ensure correct work products. Office ensures employees and interested/affected parties have access to and use current procedures and processes.

In addition:

Investigations

Seek the assistance of the department and its contracted partners to ensure CFOP 180-4 continues to include those items identified as potential liability risks; obtain admissions to the offense investigated from subjects of supported employee misconduct investigations (non-criminal). Conduct exit interviews with appropriate management staff prior to case closure to ensure report accuracy.

Internal Audit

Perform a systemic quality review of the office.

Quality Control

Refine and enhance findings and monthly reports to provide management the data needed. Review all error and drop cases to ensure that they are completed correctly.

Appeal Hearings

Keep management informed of decisions for hearing requests. Index hearing decisions by program and by subject to be available as needed. Perform quality assurance of hearing decisions to assure compliance with legal authorities.

Section G: Appendix III – Strategic Plan

OFFICE OF THE INSPECTOR GENERAL

Enhancing Public Trust in Government

Provide Leadership in the Promotion of Accountability and Integrity of State Government

O-4 OBJECTIVE

ENSURE TIMELY AND RESPONSIVE DELIVERY OF SERVICES

Success Indicator:

Strategies:

SI-OIG-6

Office meets requirements for timeliness.

S-OIG-6

Establish and monitor milestone dates for Investigations, Audits, Quality Control data reports, Appeal Hearings, and Civil Rights activities.

ACTION STEPS:

All OIG sections develop strategies to ensure time standards and milestone dates are established, monitored and met for specific activities. This includes OIG internal timeline controls, external requirements of the department, and statutory mandates.

Section G: Appendix III – Strategic Plan

OFFICE OF THE INSPECTOR GENERAL

Enhancing Public Trust in Government

Provide Leadership in the Promotion of Accountability and Integrity of State Government

0-5 OBJECTIVE

CUSTOMER SATISFACTION

Success Indicator:	Strategies:
SI-OIG-7 Customers are satisfied with services provided by the Office.	S-OIG-7a Develop and execute surveys to address customer satisfaction to ensure deliverables meet customer needs.

ACTION STEPS:

All OIG sections develop and deploy strategies to obtain customer feedback on their respective activities by surveying the customers.

Section G: Appendix III – Strategic Plan

OFFICE OF THE INSPECTOR GENERAL

Enhancing Public Trust in Government

Provide Leadership in the Promotion of Accountability and Integrity of State Government

0-5 OBJECTIVE

CUSTOMER SATISFACTION

Success Indicator:

Strategies:

SI-OIG-7

Customers are satisfied with services provided by the Office.

S-OIG-7b

Review and improve the design of the Department Inspector General's web sites on both the internet and the intranet. Develop web pages that are informative, easily read and effectively direct the customer to the desired information with minimum effort.

ACTION STEPS:

All OIG sections

1. Develop a committee of representatives from all IG offices to review content of current website.
2. Remove outdated information and determine how to best present current information.
3. Ensure that all web pages are user-friendly and easy to navigate.
4. Ensure that links to internal or external information are working.
5. Each office will follow up and maintain their individual pages.