



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

Ron DeSantis
Governor

Chad Poppell
Secretary

DATE: July 1, 2020

TO: Chad Poppell
Secretary

FROM: Keith R. Parks
Inspector General

SUBJECT: Corrective Action Status Report - Auditor General Report No. 2020-090

In accordance with Section 20.055(6)(h), Florida Statutes, enclosed is our six-month corrective action status report on Auditor General Report No. 2020-090, *Department of Children and Families, Office of Public Benefits Integrity and Selected Administrative Activities*.

The Office of Public Benefits Integrity provided updates to Findings #1 through #5 and indicates that the recommendations to Findings #2, #3, and #5 have been fully implemented. The Offices of Contracted Client Services and General Services provided updates to Findings #6 and #7, respectively, and indicate that the associated recommendations have been fully implemented.

If I may be of further assistance, please let me know.

Enclosure

cc: Melinda Miguel, Chief Inspector General, Executive Office of the Governor
Patricia Babcock, Deputy Secretary
David Mica, Chief of Staff
Taylor Hatch, Assistant Secretary for Economic Self-Sufficiency
Tony Lloyd, Assistant Secretary for Administration
Lisa Norman, Audit Manager, Florida Auditor General
Kathy DuBose, Staff Director, Joint Legislative Auditing Committee

KP/SM/ej

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Mission: Work in Partnership with Local Communities to Protect the Vulnerable, Promote Strong and Economically Self-Sufficient Families, and Advance Personal and Family Recovery and Resiliency

OIG – Internal Audit Section
Six-Month Corrective Action Status Report
Department of Children and Families - Office of Public Benefits Integrity and
Selected Administrative Activities

Auditor General Report No. 2020-090, Issued January 7, 2020
As of June 30, 2020

Findings	Recommendation	Agency Response	Corrective Action Status
<p>Finding 1: The Department established the Automated Community Connection to Economic Self-Sufficiency (ACCESS) Integrity Online System (AIO) to store and track the information needed to aid in fraud prevention. However, as similarly noted in our report No. 2016-046, AIO application controls were not sufficient to ensure the completeness, accuracy, and validity of AIO data, nor could the Department demonstrate whether user access privileges to the AIO were timely deactivated upon an employee's separation from Department employment.</p>	<p>Recommendation 1: We again recommend that Department management enhance data input controls to ensure the completeness, accuracy, and validity of AIO data, including rejected referral information. We also recommend that Department management enhance AIO data error reporting to incorporate the errors noted on audit and ensure that the timely deactivation of AIO access privileges upon an employee's separation from Department employment is appropriately documented.</p>	<p>The Department acknowledges the limitations of the AIO system and agrees that the system needs replacing to ensure data input controls are seamlessly incorporated into our processes. In response to this need, we have submitted a Legislative Budget Request to gain funding for a full system replacement. In the interim, we will continue to take additional measures to ensure better control and monitoring of the AIO by adding additional requirements to our monthly monitoring of the AIO, which will ensure any errors found are corrected. Additionally, to better ensure the security of data, we have added an additional level of control of granting and terminating access for OPBI staff to the AIO. A monthly monitoring of OPBI users will be conducted by AIO system administrators to ensure the user list is current. In addition, we have added a tracking component of all OPBI AIO users to track granted and terminated user access.</p>	<p>Partially Implemented OPBI will discuss with the Office of Technology and Information Systems any possible technology enhancements or grant solutions to assist with the identified system needs. To assist with identifying and correcting errors, an AIO monthly error audit report was automated in June 2020 and is used by OPBI supervisors to identify and remedy any potential errors. Additionally, in January 2020, a monitoring and tracking process has been implemented to review OPBI AIO users, on a monthly basis, to ensure the active users still require access. Anticipated Completion Date: A possible project timeline will be available in six months.</p>

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<p>Finding 2: Certain security controls related to the logging and monitoring of AIO activity continue to need improvement to ensure the confidentiality, integrity, and availability of Department data and related information technology resources.</p>	<p>Recommendation 2: We again recommend that Department management establish appropriate AIO security controls related to logging and monitoring to ensure the confidentiality, integrity, and availability of Department data and related IT resources.</p>	<p>The Department acknowledges the limitations of the AIO system and agrees that the system needs replacing to ensure data input controls are seamlessly incorporated into our processes. In response to this need, we have submitted a Legislative Budget Request to gain funding for a full system replacement. In the interim, we will take additional measures to ensure better controls related to logging and monitoring of the AIO system by tracking AIO access on a spreadsheet and monitoring the user roster monthly.</p>	<p>Fully Implemented</p>
<p>Finding 3: The Office did not always timely complete investigations of referrals received regarding suspected public assistance fraud, or document the causes for delays, as required by Office policies and procedures. A similar finding was noted in our report No. 2016-046.</p>	<p>Recommendation 3: We again recommend that Office management ensure that BI unit referral investigations are timely completed and that, if delays occur, investigators document the reasons for the delays in the FLORIDA System case notes.</p>	<p>OPBI drafted and disseminated correspondence to all OPBI investigative staff in November 2019 to reinforce this practice and will continue discussing this practice during upcoming conference calls. Additionally, in January 2020, a training tool will be developed for OPBI investigators to ensure the reasons for the delays are documented in the FLORIDA System. Additionally, beginning in January 2020, the statewide monitoring process will include a review of FLORIDA system notations to determine if a case is beyond the 10-working day requirement to ensure the delay is documented.</p>	<p>Fully Implemented</p>

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<p>Finding 4: The Department did not always properly complete tracking logs of investigation interviews performed at Disaster Supplemental Nutrition Assistance Program events for Hurricanes Irma and Michael.</p>	<p>Recommendation 4: We recommend that Department management emphasize for future D-SNAP events the importance of completing all relevant Tracking Log fields for each interview performed by Program Integrity Specialists.</p>	<p>The Department will update the 2020-2021 D-SNAP plan to reflect the use of the D-SNAP Tracking log. The D-SNAP Tracking log will also be reviewed and updated to ensure that only the required fields are captured. Additionally, training will be held prior to any future D-SNAP event to ensure employees are informed of how to complete the log during a D-SNAP event.</p>	<p>Partially Implemented The 2020-2021 D-SNAP plan has been updated and is pending submission to the US Department of Agriculture, Food and Nutrition Service. OPBI is reviewing the D-SNAP Tracking log and making any required updates to ensure only the required fields are captured and will conduct training with staff following the update. Anticipated Completion Date: August 2020</p>
<p>Finding 5: Department procedures for timely identifying and writing off eligible public assistance claims continue to need enhancement.</p>	<p>Recommendation 5: We recommend that Department management take appropriate actions to timely identify and write off claims as specified by Department policies and procedures.</p>	<p>From February 2018 until November 2019, OPBI created and completed a request for approval to write-off claims due to bankruptcy. The request is currently pending with the Florida Department of Financial Services for approval. Additionally, OPBI will conduct quarterly reviews of claims subject to write-off to ensure all claim types are written off.</p>	<p>Fully Implemented</p>

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<p>Finding 6: Department controls over cellular telephones need enhancement to ensure that unused lines are appropriately terminated, the personal use of text messaging is discouraged, and the most economical usage plans are utilized.</p>	<p>Recommendation 6: We recommend that Department management enhance policies and procedures to provide for the timely termination of unused cellular telephone lines and to discourage personal use of text messaging. We also recommend that Department management review Department cellular service contracts and billing statements to ensure that the most cost-effective usage plans have been selected.</p>	<p>Purchasing will now maintain a log of all suspended phone lines. Once a line has completed a single unbilled suspension period and if the line is still not being utilized, it will be cancelled. Later, the program offices can request a new line of service if there is a need for one. Outreach to program offices to evaluate the need for both currently suspended lines and active lines with low or no usage has already begun and is ongoing.</p> <p>Moving forward, all new cellular device users will be provided with a copy of Children and Families Operating Procedure (CFOP) 70-6 outlining that personal use of a state cell phone is discouraged. Additionally, verbiage has been added to the bottom of the Cellphone Activation Form for each user to sign and date that they received a copy of the CFOP 70-6 and are aware that their state issued cell phone shall not be used for personal use and they may be financially responsible if it is used for anything other than official state business.</p> <p>In addition to reviewing call details for increasing usage plans, Purchasing will also begin reviewing call details for decreasing plans. In order to correct this issue immediately, Purchasing will review call details for users that are currently on the Verizon "Unlimited Everything" plan over a 3-month period. If the call minutes average less than 289 minutes a month, Purchasing will make a recommendation to reduce the plan down to the \$35.99 a month plan (Note that the Unlimited Everything plan is \$51 a month). Going forward, we will review the call details monthly and make any necessary recommendations on plan changes. Outreach to Program Offices to recommend downgrading plans has already begun and is ongoing.</p>	<p>Fully implemented</p> <p>Purchasing continues to maintain a log of all suspended phone lines and proceeds with cancellation if not reutilized after one suspension cycle. Outreach to program offices continues with education on how to evaluate the need for both active and suspended lines.</p> <p>All new cellular device users continue to be provided with a copy of Children and Families Operating Procedure (CFOP) 70-6 outlining policies regarding personal use of state phones. Each user must also sign the Cellphone Activation form acknowledging that they have received and understand the policy. Remote workers are sent a copy of the CFOP 70-6 via e-mail and must respond with their acknowledgment that they have read and understand the policy.</p> <p>Reviewing of call details to verify users are on the most cost-effective plans is ongoing. Due to the transition to remote work, recommendations to increase plans for high usage are now being made after one month. Reviews to recommend decreasing plans are still being made after three consecutive months of consistently low usage. Lines are also being evaluated and transferred to different carriers to take advantage of better service plans at lower costs.</p>
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<p>Finding 7:</p> <p>The Department did not always accurately record the value or condition of donated motor vehicles.</p>	<p>Recommendation 7:</p> <p>We recommend that Department management ensure that donated property items are recorded at fair market value and the appropriate condition in accordance with DFS rules and Department policies and procedures.</p>	<p>The Office of General Services has reviewed records for the 44 motor vehicles in question and has updated the acquisition cost for those vehicles to fair market value. The acquisition costs for those vehicles were obtained by using Kelly Blue Book values. In order to avoid future findings concerning this matter, CFOP 40-2 (Vehicle Management) has been updated to include the language under DFS Rule 69J-72.003, Florida Administrative Code. The updated operating procedure is anticipated to be published by February 28, 2020.</p>	<p>Fully Implemented</p> <p>The revision to Operating Procedure 40-2 has been completed and approved by Assistant Secretary for Administration as of June 23, 2020. It is anticipated to be published by July 1, 2020. Updated language under Section 3, titled "Vehicle Acquisition" is as follows:</p> <p>(4) Under Rule 69J-72.003, F.A.C., donated items, including federal surplus tangible personal property, shall be valued at fair market value at the date of acquisition. Regardless of acquisition method, the cost or value of a property item shall include ancillary charges necessary to place the asset into its intended location and condition for use. Ancillary charges include expenditures that are directly attributable to asset acquisition and placing the asset in service, such as freight and transportation charges, site preparation costs, and professional fees.</p>