

**Terry L. Rhodes**  
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**Ron DeSantis**  
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**Jimmy Patronis**  
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October 27, 2020

Ms. Terry L. Rhodes  
Executive Director  
Department of Highway Safety and Motor Vehicles  
2900 Apalachee Parkway B443  
Tallahassee, Florida 32399-0500

Re: Auditor General Report No. 2020-191  
Department of Highway Safety and Motor Vehicles Operational Audit- Selected  
Administrative Activities and Prior Audit Follow-up

Dear Ms. Rhodes:

In accordance with Section 20.055(6)(h), Florida Statutes, we are providing an assessment of the implementation or current status of the recommendations in the Auditor General's Report No. 2020-191.

If you need additional information, please contact me at 617-3104.

Sincerely,

A handwritten signature in blue ink that reads 'Mike Stacy'. The signature is written in a cursive, flowing style.

Mike Stacy  
Acting Inspector General

cc: Ms. Kathy Dubose, Coordinator, Joint Legislative Auditing Committee

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**Office of Inspector General**

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Source of Audit: Auditor General  
Report Number: 2020-191  
Report Title: Selected Administrative Activities and Prior Audit Follow-up

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**Finding No. 1: Property Records**

Department controls regarding the accuracy of the information needed to correctly report and maintain proper accountability over Department property and demonstrate compliance with applicable Department of Financial Services (DFS) rules need enhancement. Additionally, Department controls need improvement to ensure that all property items of a sensitive or attractive nature are accounted for in Department property records.

**Recommendation**

We recommend that Department management enhance controls to ensure that Department property records include for each property item all ancillary charges necessary to place the property item into service.

We also recommend that Department management revise policies and procedures to ensure that all sensitive and attractive property items, including IT equipment, costing less than \$1,000 are accounted for in Department property records.

**Agency Response**

The Department will develop and implement additional processes to ensure property records include all ancillary charges necessary to place the property item into service. Additionally, the Department is actively pursuing purchasing an asset management system and will include requirements to track all items, including desktop computers and other attractive items, that are assigned to an individual.

**Six month Response:**

The Department's Fixed Assets Property Consultants updated all property records listed in the audit findings that were found to be out of compliance and received additional training to ensure all ancillary costs are included in compliance with applicable DFS rules. As an added control, all new property purchases are reviewed by the section supervisor monthly to ensure ancillary costs are included in Department property records.

The Department has procured an application to track property items, including desktop computers and other attractive items, that are assigned to an individual. Due to the COVID-19 pandemic, the development and implementation of this application has been delayed until the beginning of 2021. Management plans to revise policies and procedures to ensure all sensitive and attractive property items are accounted for in Department property records in coordination with the development of the property tracking application.

**Status:** Open

### **Finding No. 2: Property Disposal**

The Department did not always document tangible personal property disposals in accordance with applicable DFS rules or document that all required authorizations and surplus property review board recommendations were obtained prior to disposing of property items.

#### **Recommendation**

We recommend that Department management enhance controls to ensure that Department records evidence the manner of and the employees who witness the disposition of property items.

We also recommend that Department management ensure that property is only disposed of after all required authorizations and Review Board recommendations are obtained and documented.

#### **Agency Response**

The Department will enhance controls to ensure Department records evidence the disposition of property items according to DFS rule 69I-72.005, F.A.C. The Department will also clarify and update the Tangible Property and Insurance Procedure – BA 5. Since all purchase and disposal of vehicles requires approval by DMS pursuant to 60B-3.004, F.A.C., the Department believes it would create inefficiencies in the disposal process to require the surplus review board to approve all vehicle dispositions prior to acquiring a new vehicle. The Department will continue to ensure DMS is timely notified via MyFloridaMarketPlace and approves all acquisitions, thus dispositions, of vehicles on the form MP-6301, Request for Acquisition of Motor Vehicle(s) and Mobile Equipment.

#### **Six month Response:**

The Department's Fixed Assets Property Consultants are working with the Department's Central Supply Manager to ensure all property disposal requests evidence the manner of, as well as the employees who witness the disposition of property items. In an effort to help the Central Supply Manager in their review of disposal requests, the Fixed Assets Property Consultants send the supply manager a monthly list of custodian delegates with location codes to assist in the verification process. This verification ensures the requesting custodian delegate has authority to submit the disposal. As a result, disposal requests submitted incorrectly are rejected by the Supply Manager.

After the Review Board has approved a disposal request, the central supply manager contacts the requestor and advises them that disposals require witness signatures and receipts where applicable. The Central Supply Manager uses the master list to verify the surplus request has the correct custodian delegate and location code and required

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signatures before sending the surplus package to the Review Board. Completed disposal packages are delivered to the Fixed Assets section supervisor. The supervisor reviews the disposal packages before sending them to the Property Consultants to process.

The Department continues to ensure DMS is notified timely of vehicle dispositions by sending an email notification to the Fleet Management Section which contains all the required authorizations and documentation. As required by DMS, hard copies are sent via inter-agency mail the day after notification. Lastly, the Department is updating the Tangible Property and Insurance Procedure BA-5 which will clarify the vehicle disposition process.

**Status:** Closed

### **Finding No. 3: Motor Vehicle Records**

Department controls over Florida Highway Patrol motor vehicle record keeping need improvement.

#### **Recommendation**

To ensure that all required motor vehicle usage information is accurately recorded, we recommend that Department management take steps to ensure the FHP timely provides the necessary data to be recorded in FIMS.

Additionally, we recommend that Department management ensure that accurate and complete information is recorded in FIMS.

#### **Agency Response**

The Department will implement additional processes to provide a missing mileage report to the divisions to help ensure mileage records are accurately reported in FIMS in a timely manner.

#### **Six month Response:**

The Department is currently piloting a system that requires all FHP personnel to log mileage before and after a work shift. As a result, monthly reports will be provided to Accounting that will be imported into FIMS. The new FHP mileage input process is scheduled for deployment statewide in the beginning of 2021; this will remove manual entries into FIMS and will reduce inaccurate information. The Department is also finalizing monthly reports to non-FHP divisions to assist them in providing accurate and complete information to ensure that FIMS is updated in a timely manner.

**Status:** Open

#### **Finding No. 4: Purchasing and Fuel Card Controls**

The Department did not always timely cancel purchasing cards upon a cardholder's separation from Department employment.

Additionally, Department records for some employees did not evidence that signed user agreements were obtained prior to issuing the employees fuel cards.

#### **Recommendation**

We recommend that Department management strengthen procedures to ensure purchasing cards are promptly canceled upon a cardholder's separation from Department employment.

Additionally, we recommend that Department management ensure that Department records evidence that all fuel cardholders sign cardholder user agreements prior to being issued a Department fuel card.

#### **Agency Response**

The Department has implemented additional controls to ensure all fuel card holders are canceled timely using separation notices sent by Human Resources and Information Services Administration. To provide an additional control, the Department will ensure monthly that all fuel card holders are active employees. Additionally, the Department reviewed all current fuel card holders and have confirmed that all cardholder user agreements are on file. Lastly, the Department will begin developing a training course for all new fuel card users and will require completion of the course prior to the issuance of a fuel card.

#### **Six month Response:**

The Department has continued to cancel fuel cards using Human Resources and Information Services Administration separation notices. Once separation notices are received, the WEX Administrator terminates the WEX card on the separation date.

Currently, the Department is working on a systematic process for the WEX Cardholder monthly review to ensure all cardholders are active employees by reviewing and matching Peoplefirst ID with the active employee list. The goal is to have this process completed by the end of the month.

Further, the Department is working to develop a training course for all new fuel card users and will require completion of the course prior to the issuance of a fuel card. The course is expected to be implemented in mid-2021.

**Status:** Open

### **Finding No. 5: Mobile Device Security Controls**

Security controls over mobile device utilization need improvement to ensure the confidentiality, integrity, and availability of Department data and information technology resources.

#### **Recommendation**

We recommend that Department management enhance certain security controls related to Department and non-Department employee use of mobile devices to ensure the confidentiality, integrity, and availability of Department data and related IT resources.

#### **Agency Response**

The Department concurs with the finding and has enhanced security controls for the use of mobile devices as recommended.

#### **Six month Response:**

Security controls have been enhanced for the use of mobile devices as recommended.

**Status:** Closed

### **Finding No. 6: IT Access Privilege Controls**

As similarly noted in our report No. 2017-088, Department controls for timely removing user access privileges to the Florida Real Time Vehicle Information System and the Florida Accounting Information Resource Subsystem need improvement.

#### **Recommendation**

We again recommend that Department management enhance controls to ensure that FRVIS and FLAIR user access privileges are removed immediately upon a user's separation from Department employment.

#### **Agency Response**

The Department continues to refine its procedures to reduce the time between employee separation and removal of access. As of January 1, 2018, the Department has implemented a centralized process through our help desk which supports onboarding, offboarding, and transferring between business units.

ISA has established processes for removing access for users who have extended account inactivity but have not been appropriately offboarded through the personnel and supervisory process:

- Staff that support Active Directory review PeopleFirst reports daily in an effort to identify staff that have separated from the Department. An active directory

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account provides users access to the Department's network. Removal of network access prevents terminated users from accessing Department systems and databases.

- Oracle accounts are reviewed monthly and locked for inactivity. Once these accounts are locked, access to the FRVIS applications is effectively cut off as both accounts are required for use.

The Department's Security Policy Manual will also be updated to reiterate the necessity of removing user access privileges in a timely manner.

The Department additionally acknowledges two FLAIR users were not timely removed. In response to report No. 2017-088 (Finding 3), the Department implemented a quarterly verification by all supervisors of FLAIR users. The quarterly verification was successful in catching the two FLAIR users not timely removed. However, the Department has immediately enhanced its controls and will compare all FLAIR users to an active employee list monthly.

**Six month Response:**

Management is working to update the Department's Security Policy Manual to reiterate that all accounts must be disabled in a timely manner. The Department continues to validate monthly that all FLAIR users are active employees and continues to submit quarterly verification reports to all supervisors of FLAIR users.

**Status:** Open

**Finding No. 7: CDL Program Inspections**

Department controls for inspecting the third-party administrators and skills testers responsible for conducting commercial driver's license examinations need enhancement to ensure that inspections are timely conducted and appropriately documented. A similar finding was noted in our report No. 2017-088.

**Recommendation**

We recommend that Department management enhance the CDL Manual to ensure that adequate documentation of inspection efforts, including the list of driver applicant records randomly selected for review and documentation to support the results of the on-site review, is prepared and maintained.

We also recommend that Department management take steps to ensure that adequate staffing resources are available to conduct required inspections, facility inspections are timely scheduled, and compliance officers are monitored to ensure that assigned inspections are timely completed.



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Further, we recommend that Department management enhance the CDL Manual to ensure that compliance officers timely conduct random TPA facility inspections in accordance with Federal regulations and State law.

**Agency Response**

With respect to the inspection of driver applicant records, the Department agrees that maintaining documentation to support the results of the on-site review would further enhance the audit process. The CDL Manual will be revised to ensure that adequate documentation of inspection efforts, including the list of driver applicant records randomly selected for review, and documentation to support the results of the on-site review, is prepared and maintained by the compliance officers.

The Department concurs with the finding that it did not always timely inspect TPA and skills tester records. The failure to conduct inspections in a timely manner was primarily the result of staffing vacancies. The Department will strive to ensure that adequate staffing resources are available to conduct required inspections, and compliance officers are monitored to ensure that assigned inspections are timely completed.

With respect to Federally required random (unannounced) facility inspections, the Department revised the CDL manual in August 2019 to require all yearly audits to be unannounced.

**Six month Response:**

With respect to the inspection of driver applicant records, the Department has revised the CDL manual to require documentation of all driver applicant records reviewed. The name, DL number, and test date for each applicant is collected and recorded on a worksheet included in the audit documentation.

Additionally, Motorist Services uses an access database to track all inspections. Compliance Officers submit all inspections to Motorist Services and those inspection dates are recorded in the access database. This data is reviewed monthly to ensure the inspections are completed in a timely and compliant manner.

With respect to the Department not always timely inspecting TPA and skills test records primarily due to staffing vacancies, the Department has worked to fill vacant positions. Currently, the Department has 7 of the 8 positions filled with the 8<sup>th</sup> position in the final steps of the hiring process.

**Status:** Closed