



Florida Department of
Law Enforcement


Gerald M. Bailey
Commissioner

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August 5, 2011

TO: Gerald M. Bailey, Commissioner
Office of the Executive Director

FROM: Al Dennis, Inspector General 
Office of Inspector General

SUBJECT: Six-month Follow-up Report
Auditor General Report, Number 2011-094
Department of Law Enforcement Administrative Issues - Operational Audit

In accordance with the provisions of s. 20.055 (5)(h), Florida Statutes, attached is a six-month status report. The report details the implementation or status of corrective actions taken by the Department for each recommendation made in the above referenced Auditor General report.

The findings, recommendations and status of actions as of July 27, 2011 are attached. If further information is needed, please contact me or Director of Auditing Lourdes Howell-Thomas at (850) 410-7241.



Gerald M. Bailey, Commissioner



Date

AD/lht

Attachment

cc: Kathy DuBose, Coordinator
Joint Legislative Auditing Committee

Finding No. 1: The Department needs to enhance subgrant closeout procedures to promote adequate documentation of subgrantee contacts, timely conduct of onsite monitoring, and proper accounting for funds prior to the subgrant closeout date.

Recommendation No. 1: We recommend that the Office enhance procedures to ensure that, before subgrants are closed out, a proper accounting for all funds expended and a determination that the grant objectives have been accomplished are made. These procedures should also provide a consistent and trackable method for documenting contacts with subgrantees and ensure the timely close-out of subgrants.

FDLE Response: Agree. To enhance subgrant closeout procedures, the Office of Criminal Justice Grants (OCJG) will review the status of upcoming closeouts of subgrants during its' monthly staff meeting. Further, members are directed to contact subgrantees regarding the closeout via e-mail and place a copy of such in the subgrant file, and to properly document the subgrant comment log of any telephone conversations held with the subgrantee. The OCJG written procedures have been modified to reflect the above-mentioned enhancements.

Currently, OCJG members are directed to review and compare all items submitted on expenditure reports to ensure costs were not previously claimed. Also, when processing a grant adjustment to revise the current budget, the budget and all approved expenditure reports are reviewed to ensure items previously paid are not removed. At the time of closeout, members are directed to review the budget and expenditure reports to ensure costs incurred were allowable and that there were no duplicate payments. Members will be retrained and reminded of these procedures. All written procedures have been reviewed and modified, if required, to reflect these instructions.

Six-Month Status Response: The Planning Managers of the Office of Criminal Justice Grants have reviewed with their members the status of upcoming closeouts of subgrants during their monthly staff meeting. Members are reminded to contact subgrantees regarding the closeouts via e-mail and place a copy of such in the subgrant file, and to properly document the subgrant comment log of any telephone conversations held with subgrantee. Planning Managers also have to present the status of closeouts in a monthly staff meeting with their Administrator. The OCJG written procedures have been modified to reflect the above mentioned enhancements.

OCJG members are directed to review and compare all items submitted on expenditure reports to ensure costs were not previously claimed. Also, when processing a grant adjustment to revise the current budget, the budget and all approved expenditure reports are reviewed to ensure items previously paid are not removed. At the time of closeout, members are directed to review the budget and expenditure reports to ensure costs incurred were allowable and that there were no duplicate payments. Members have been trained and reminded in monthly staff meeting of these procedures. All written procedures have been reviewed and modified, if required, to reflect these instructions.

Finding No. 2: The Department had not developed a methodology for identifying and summarizing all the Department's direct and indirect costs related to the performance of criminal history checks.

Recommendation No. 2: We again recommend that the Department develop and implement a methodology for identifying and analyzing all direct and indirect costs related to the performance of criminal history checks.

FDLE Response: As noted in the previous audit response dated May 11, 2009, the Legislature has utilized revenue from the criminal history checks to shift substantial Operating Trust Fund dollars to fund other functions within the Department. The most recent fund shift occurred this fiscal year. Further, the State is expecting a budget shortfall of more than \$4 billion for FY 11-12. To that end, FDLE anticipates further budget reductions and possibly more funds shifts. Without knowing what expenditures will be reduced or added to offset the criminal history checks revenue, any data used to produce a methodology report would be obsolete.

While FDLE does not assert that a plan based on stabilized data would be without value, it would not be prudent to obtain at this time in anticipation of further budget reductions. Additionally, with less staffing, FDLE does not have the resources to develop such a plan. It is the opinion of FDLE leadership that submitting a Legislative Budget Request for funding to develop a plan would be counterintuitive during the current budget crisis and not in the best interest of Florida taxpayers.

Six-Month Status Response: As noted in the previous audit responses dated May 11, 2009 and January 31, 2011, the Legislature utilized revenue from the criminal history checks to shift substantial Operating Trust Fund dollars to fund other functions within the Department. While an analysis of any direct and indirect costs relating to performance of criminal history checks may have, in the past, provided a baseline for determining a fee structure, the Legislature's decision to use this revenue for other purposes has in essence redefined original intent of what the fees should support. Notwithstanding the fact that the state's fiscal position is still slow to recover and the potential for further changes to the purported use of these funds still exists, the legislative decision to redefine what this fund supports is evidence that the basis for determining a cost methodology is irrelevant.

Finding No. 3: The Department had not implemented a cost allocation plan for identifying and summarizing all Criminal Justice Professionalism Program direct and indirect costs.

Recommendation No. 3: We recommend that the Department continue to consider the establishment of an appropriate methodology to identify and summarize all direct and indirect costs associated with the CJPP.

FDLE Response: Again as noted in the prior audit response dated, May 11, 2009, there is potential for further budget reductions in the Criminal Justice Professionalism Program (CJPP). If reductions occur, this would impact any cost allocation methodology. While FDLE does not assert that a plan based on stabilized data would be without value, it would not be prudent to obtain at this time in anticipation of further budget reductions. Additionally, with less staffing, FDLE does not have the resources to develop such a plan. It is the opinion of FDLE leadership that submitting a Legislative Budget Request for funding to develop a plan would be counterintuitive during the current budget crisis and not in the best interest of Florida taxpayers. Notwithstanding the cost allocation methodology issue, a review will be conducted to determine if any positions in other programs are performing CJPP-related work. If any are identified, an accounting code will be established to identify the direct program costs for the CJPP.

Six-Month Status Response: In follow-up to the audit response dated January 31, 2011, a high-level review was conducted to determine if any positions in other programs are performing Criminal Justice Professionalism Program (CJPP) related work. Positions not in the CJPP were identified that are funded by the Criminal Justice Standards and Training Trust Fund (CJSTTF). Some of these positions do not provide direct or indirect support to the CJPP, but are funded by the CJSTTF due to previous fund shifts made by the Legislature. Other positions indirectly support the CJPP however the support fluctuates.

Additionally, there are positions not funded by the CJSTTF that may from time to time perform work that supports the CJPP. The time and resources required to implement a time allocation system to capture these variances are not prudent since the fund supports both CJPP and non-CJPP functions.

As a result of this review, the agency feels pursuit of a cost methodology to determine the exact costs of the CJPP are irrelevant since the CJSTTF supports other functions within the Department as a result of fund shifts. Legislative intent of what the fund should support has been redefined.