



Department of Education Office of Inspector General

ANNUAL REPORT

Fiscal Year 2015-2016



FLORIDA DEPARTMENT OF EDUCATION
OFFICE OF INSPECTOR GENERAL

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INTRODUCTION

MISSION STATEMENT

The mission of the Office of Inspector General (OIG) is to assist the Commissioner of Education in achieving the department's mission of increasing student proficiency and maintaining an accountability system that measures student progress. The OIG accomplishes this by providing independent audits and reviews of programs and activities, conducting investigations of alleged violations, and offering consulting services to assist management in their efforts to maximize effectiveness and efficiency.

OIG RESPONSIBILITIES

Section 20.055, Florida Statutes, establishes the Office of Inspector General within each state agency to provide a central point for coordination of, and responsibility for, activities that promote accountability, integrity, and efficiency in government. Additionally, in accordance with section 1001.20, Florida Statutes, the OIG will conduct or coordinate investigations into substantiated allegations that a district school board or college board of trustees is unwilling or unable to address relating to waste, fraud, or financial mismanagement, as determined by the Commissioner of Education.

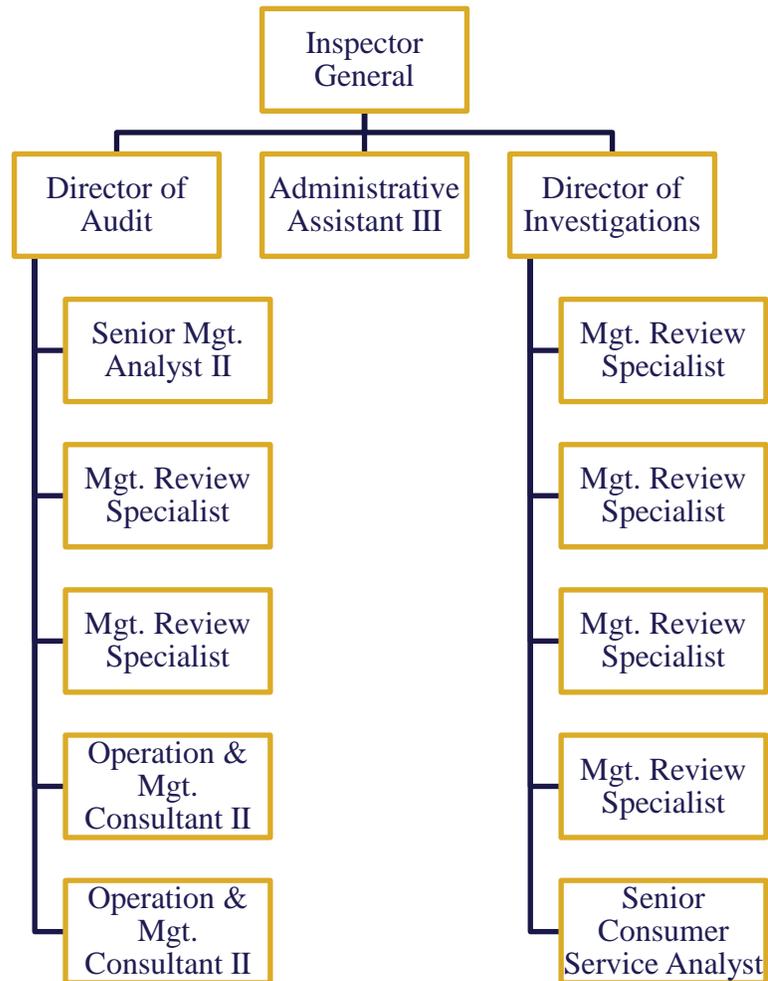
This annual report is presented to the commissioner and chief inspector general to comply with statutory requirements and to provide departmental staff and interested parties with information on the OIG's progress in accomplishing its mission. The OIG's responsibilities include:

- Conducting audits, investigations, and management reviews relating to the programs and operations of the department, including employment screening and background investigations;
- Reviewing and evaluating internal controls necessary to ensure the fiscal accountability of the department;
- Keeping the commissioner and chief inspector general informed concerning fraud, abuse, and deficiencies relating to programs and operations administered or financed by the department, recommending corrective action, and reporting on the progress made in implementing corrective action;
- Advising in the development of performance measures, standards, and policies and procedures for department programs;
- Coordinating, and monitoring the implementation of, the department's response to recommendations made by the Auditor General, the Office of Program Policy Analysis and Government Accountability (OPPAGA), the Florida Department of Financial Services, the U.S. Department of Education, and other external agencies; and
- Ensuring that an appropriate balance is maintained between audit, investigative, and other accountability activities.

ORGANIZATION AND STAFF

Effective July 1, 2014, Chapter 2014-144, Laws of Florida, changed the reporting structure for inspectors general in agencies under the jurisdiction of the Governor. The DOE inspector general remains under the general supervision of the Commissioner of Education but now reports directly to the Governor's Chief Inspector General. The OIG consists of 14 professional and administrative positions that perform internal audit and investigative functions, as shown below.

Office of Inspector General Organization Chart



OIG STAFF QUALIFICATIONS AND CERTIFICATIONS

OIG staff is highly qualified and brings various backgrounds and expertise to the department. The collective experience spans a variety of disciplines, including auditing, accounting, investigations, and information systems.

OIG staff members continually seek to enhance their abilities and contributions to the office and the department. Many staff members have obtained certifications that demonstrate their knowledge, motivation, and commitment to the profession. Professional certifications held by OIG staff members include:

- Certified Inspector General (CIG)
- Certified Internal Auditor (CIA)
- Certified Fraud Examiner (CFE)
- Certified Information Systems Auditor (CISA)
- Certified Inspector General Investigator (CIGI)



AFFILIATIONS

OIG staff members participate in a number of professional organizations to maintain proficiency in their areas of expertise and certification. These associations allow them to establish and advance professional networks and participate in professional development activities. OIG staff members are affiliated with the following professional organizations:

- Institute of Internal Auditors (IIA)
- Association of Inspectors General (AIG)
- Association of Government Accountants (AGA)
- Association of Certified Fraud Examiners (ACFE)
- ISACA

MAJOR ACTIVITIES AND FUNCTIONS

INTERNAL AUDIT

The purpose of the internal audit section is to provide independent, objective assurance and consulting activities designed to add value and improve the department's operations. Our vision is to help the department by facilitating change directed toward improving efficiency, effectiveness, accountability, and teamwork.

Responsibilities of the internal audit section include:

- Conduct compliance, electronic data processing, performance, and financial audits of the department to identify and recommend corrective action for deficiencies or matters of noncompliance.
- Conduct consulting activities in order to provide independent advisory services to department management.
- Assess the reliability and validity of department performance measures.
- Ensure effective coordination and cooperation with the Office of the Auditor General, OPPAGA, federal auditors, and other governmental bodies to ensure proper coverage and minimize duplication of effort.
- Conduct risk assessments of the department annually, taking into consideration the input of senior management.
- Develop annual and long-term audit plans outlining the audits to be conducted during each year and related resources to be devoted to the respective audits.
- Monitor the implementation of the department's response to audit reports issued by the department's inspector general, Office of the Auditor General, OPPAGA, or other oversight agency.
- Develop and maintain a quality assurance and improvement program that covers all aspects of the internal audit activity, with an external assessment conducted every three years.
- Participate in enterprise projects and provide assistance as requested by the chief inspector general.



The internal audit section conducts audits and reviews in accordance with the *International Standards for the Professional Practice of Internal Auditing*, published by the Institute of Internal Auditors, Inc. Reports are distributed to the Commissioner of Education, the Governor's Chief Inspector General, the Office of the Auditor General, the Office of Program Policy Analysis and Government Accountability, and affected department managers.

ACCOMPLISHMENTS

Internal audit completed twenty-two engagements during the 2015-2016 fiscal year, which can be viewed online at www.fldoe.org/ig/auditreports.asp. The results of those engagements are summarized below:

Florida Alliance for Assistive Services and Technology - The Division of Vocational Rehabilitation (DVR) contracts with Florida Alliance for Assistive Services and Technology (FAAST) for the purpose of coordinating and delivering appropriate, cost effective, state of the art assistive technology services and devices. The purpose of the audit was to ensure DVR has sufficient internal controls in place to manage FAAST's contracts and to determine compliance with the contracts. The audit revealed instances where FAAST did not monitor the regional demonstration centers (RDCs), meet contract deliverables, or ensure expenditures aligned with the approved budget. In addition, DVR did not monitor the contracts or timely and adequately review FAAST invoices.

We recommended DVR:

- Enhance their procedures to ensure they appropriately monitor the contracts, confirm FAAST meets deliverables, and timely review FAAST invoices; and
- Review the invoices more closely to ensure that FAAST documents expenditures appropriately, and ensure the expenditures align with the approved budget.

We recommended FAAST enhance its procedures to ensure they accurately report deliverables, monitor the RDCs in accordance with contract terms, and document expenses appropriately.

High School/High Tech Program - The High School/High Tech (HS/HT) Program, which is administered by the Able Trust through a contract with the Division of Vocational Rehabilitation (DVR), was established to assist youths with disabilities prepare for careers in technology focused industries. The purpose of the review was to ensure DVR and the Able Trust were adequately governing and monitoring the HS/HT Program. The review revealed instances where the Able Trust did not ensure HS/HT sites met required program outcomes, and DVR did not effectively monitor the contract.

We recommended the Able Trust ensure HS/HT sites are achieving the required graduation rates and internship requirements per the memorandum of agreements.

We recommended DVR enhance its policies and procedures to ensure they effectively monitor contracts and appropriately document monitoring and review activities.

Educator Certification - 6 Month Status Report - We followed up on the status of corrective actions required in response to findings and recommendations contained in Report # A-1314-015, Educator Certification. We confirmed that management has initiated corrective action for each of the reported deficiencies.

DVR Dispute Resolution Process - The Division of Vocational Rehabilitation (DVR) dispute resolution process is available to DVR customers and applicants to resolve issues regarding the determinations made by DVR field staff that affects the provision of vocational rehabilitation services. The purpose of the audit was to ensure the department has sufficient internal controls in place to address requests and complaints made by DVR customers and applicants. The audit revealed instances where the department did not timely respond to requests or document the resolution, accepted requests submitted after mandated time frames, and failed to adequately address administrative hearing requests.

We recommended DVR:

- Timely acknowledge and provide resolution for assigned complaints in compliance with its internal procedures;
- Consistently apply and enforce policies and procedures regarding administrative review requests across the division in accordance with their policy and Florida Administrative Code;
- Timely issue decision letters in compliance with their policy and Florida Administrative Code; and
- Collaborate with the Office of General Counsel to develop and document procedures for administrative hearing requests to ensure all requests are adequately addressed and documented and all proceedings are conducted timely and in accordance with applicable regulations.

Self-Reliance Center for Independent Living - The Division of Vocational Rehabilitation (DVR) contracts with the Self-Reliance Center for Independent Living (CIL) to provide funding for the provision, improvement, and expansion of independent living services for individuals with significant disabilities. The purpose of this audit was to ensure DVR and the CIL had sufficient internal controls in place to govern the independent living program. The audit revealed instances where the CIL did not meet employment requirements, appropriately allocate expenses, ensure consumer service records contained all required documentation, or accurately record service hours. The audit also revealed instances where DVR did not timely review invoices or effectively monitor the contract.



We recommended DVR:

- Perform periodic reviews of expenditures to ensure allowability and reasonableness and seek recovery of payments made for unallowable expenses; and
- Enhance its procedures relating to contract monitoring and invoice review.

We recommended the CIL:

- Develop an improvement plan to bring them into compliance with the Code of Federal Regulations;
- Enhance its procedures relating to expenditures and CSR documentation;
- Ensure employees accurately complete timesheets and allocate work hours across funding sources; and
- Update its financial policies and procedures so they do not conflict with contract terms.

Jewish Community Services- 12 Month Status Report - We followed up on the status of corrective actions required in response to findings and recommendations contained in Report # A-1314-025, Jewish Community Services. We confirmed that management completed corrective action for each of the reported deficiencies.

DBS Business Enterprise Program - 6 Month Status Report - We followed up on the status of corrective actions required in response to findings and recommendations contained in Report # A-1415-011, Division of Blind Services (DBS) Business Enterprise Program. We confirmed that management completed corrective action for each of the reported deficiencies.

Differentiated Accountability - 6 Month Status Report - We followed up on the status of corrective actions required in response to findings and recommendations contained in Report # A-1314-016, Differentiated Accountability. We confirmed that management has initiated corrective action for each of the reported deficiencies.

Safety & Loss Prevention - 6 Month Status Report - We followed up on the status of corrective actions required in response to findings and recommendations contained in Report # A-1415-013, Safety and Loss Prevention. We confirmed that management has completed or initiated corrective action for each of the reported deficiencies.

FAAST - 6 Month Status Report - We followed up on the status of corrective actions required in response to findings and recommendations contained in Report # A-1415-006, Florida Alliance for Assistive Services and Technology (FAAST). We confirmed that DVR management completed corrective action for their identified deficiencies. FAAST management has initiated corrective action for each of the reported deficiencies.

School Transportation - The Florida Department of Education (DOE) School Transportation Management Section provides leadership, assistance, and training for school districts and other clients to ensure safe and efficient transportation of Florida's public school students. The purpose of this audit was to ensure the Bureau of School Business Services is effectively administering the program. The audit revealed a lack of written policies and procedures and instances where active bus inspectors had expired certifications.

We recommended the School Transportation Management Section develop formal written procedures to ensure consistency and quality performance and enhance its existing procedures to ensure school districts comply with Florida Administrative Code and the Florida School Bus Safety Inspection Manual.

High School/High Tech - 6 Month Status Report - We followed up on the status of corrective actions required in response to findings and recommendations contained in Report # A-1213-010, High School/High Tech Program. We confirmed that management completed corrective action for each of the reported deficiencies.

English Speakers of Other Languages and Title III - The primary focus of the Bureau of Student Achievement through Language Acquisition (SALA) is to assist schools and districts

with Florida's English Language Learners. In addition, SALA manages the Title III grant, dispersing federal funds to eligible districts. The purpose of the audit was to determine if SALA has sufficient internal controls in place to ensure school districts provide services and expend funds in accordance with federal and state rules and regulations. During this audit, we cited instances where districts did not achieve the department's annual measurable achievement objective goals, SALA did not ensure the districts submitted required improvement plans, SALA did not effectively monitor the districts, and district expenditures did not meet federal requirements.

We recommended SALA:

- Identify best practices and determine potential methods for improving underperforming districts;
- Establish ambitious but achievable targets and accountability measures;
- Develop procedures to ensure districts not meeting their goals take appropriate corrective action and provide technical assistance to those districts;
- Disseminate best practices used by districts that are successfully meeting the goals;
- Develop policies and procedures in order to ensure the quality and consistency of the monitoring process;
- Review its risk assessment methodology and ensure it more accurately reflects the risks associated with the districts; and
- Review a sample of Title III expenditure documentation in its future monitoring efforts in order to ensure funds are spent in accordance with applicable regulations.

Educator Certification - 12 Month Status Report - We followed up on the status of corrective actions required in response to findings and recommendations contained in report #A-1314-015, Educator Certification. We confirmed that management has initiated corrective action for the reported deficiency.

DVR Dispute Resolution Process - 6 Month Status Report - We followed up on the status of corrective actions required in response to findings and recommendations contained in Report # A-1415-015, Division of Vocational Rehabilitation (DVR) Dispute Resolution Process. We confirmed that management has completed corrective action for the reported deficiencies.

Disaster Recovery - A disaster recovery plan is a documented process or set of procedures to recover and protect a business information technology infrastructure in the event of a disaster.



The purpose of the consulting engagement was to review the department's disaster recovery program and make recommendations for improvement. The engagement revealed very few of the department's mission essential applications would be restored within the desired timeframe. The engagement also revealed the department does not have a documented disaster recovery plan, but does have limited disaster recovery procedures in place.

We recommended the department:

- Adopt a disaster recovery framework to establish thorough plans, procedures, and technical measures that will enable systems to be recovered as quickly and effectively as possible following a service disruption;
- Initiate several planned activities and continue efforts currently underway to facilitate the disaster recovery process;
- Continue to identify and classify all of its information systems as high, medium, or low impact systems, focusing on the availability categorization for disaster recovery purposes;
- Identify and eliminate obsolete or duplicative systems and merge systems performing similar operations; and
- Conduct a business impact analysis.

Center for Independent Living of Broward – 12 Month Status Report – We followed up on the status of corrective actions required in response to findings and recommendations contained in Report # A-1314-010, Center for Independent Living (CIL) of Broward. We confirmed that department and CIL management have completed corrective action for each of the reported deficiencies.

Center for Independent Living Gulf Coast – 12 Month Status Report - We followed up on the status of corrective actions required in response to findings and recommendations contained in Report # A-1314-011, Center for Independent Living (CIL) Gulf Coast. We confirmed that department and CIL management have completed corrective action for each of the reported deficiencies.

DVR Vendor Background Screening – The Division of Vocational Rehabilitations (DVR) established the Vendor Background Screening (BGS) Unit to ensure that DVR vendors screen their employees through the Vendor Background Screening Clearinghouse. The purpose of this audit was to ensure that vendors appropriately screen employees that provide services to DVR clients. The audit revealed instances where DVR did not ensure that all required individuals were background screened, DVR cleared an employee who should have been disqualified, and DVR did not ensure that vendors initiated the screening process timely.

We recommended DVR:

- Enhance policies and procedures to ensure BGS Unit employees utilizing the Clearinghouse properly screen vendor employees in accordance with Florida Statutes;
- Require vendors to background screen all directors and interpreters;
- Include language in its vendor contracts to hold the vendors and CILs accountable for timely background screenings and providing DVR with updated lists of their employees; and
- Transfer responsibility for CIL background screenings to the BGS unit in order to ensure a more consistent background screening process or develop policies and procedures specific to the IL Program to ensure background screenings are conducted according to statutory requirements.

Safety and Loss Prevention – 12 Month Status Report- We followed up on the status of corrective actions required in response to findings and recommendations contained in Report #

A-1415-013, Safety and Loss Prevention. We confirmed that management has completed corrective action for each of the reported deficiencies.

Differentiated Accountability – 12 Month Status Report- We followed up on the status of corrective actions required in response to findings and recommendations contained in Report # A-1314-016, Differentiated Accountability. We confirmed that management has initiated corrective action for each of the reported deficiencies.

Self-Reliance Center for Independent Living - 6 Month Status Report - We followed up on the status of corrective actions required in response to findings and recommendations contained in Report # A-1415-017, Self-Reliance Center for Independent Living. We confirmed that department and Self-Reliance management have completed or initiated corrective action for each of the reported deficiencies.



REVIEW OF PERFORMANCE MEASURES

Section 20.055, Florida Statutes, requires the Office of Inspector General in each state agency to advise in the development of performance measures, standards, and procedures for the evaluation of state agency programs; to assess the reliability and validity of the information provided by the state agency on performance measures and standards; and make recommendations for improvement, if necessary. Our review of performance measures is incorporated into our assurance activities.

REVIEW OF CORRECTIVE ACTIONS FOR PRIOR YEAR AUDITS

Section 20.055(7)(c), Florida Statutes, requires the identification of each significant recommendation described in previous annual reports on which corrective action has not yet been completed. The following corrective actions were outstanding as of June 30, 2016.

Educator Certification – The purpose of the audit was to ensure educator certifications were issued in compliance with regulations.

Recommendation: We recommended the Bureau of Educator Certification (BEC) strengthen its controls related to the removal of access privileges, including the enhancement of policies and procedures to govern the removal of access privileges.

Status: In November 2015, executive leadership made the decision to move forward with a COTS solution to modernize the core technology systems that support the business operations for the BEC. Pending COTS Project Implementation, BEC will incorporate Key Dates into the new Roles-Based User Management; evaluate integration with DOE Single Sign-On for the new, integrated Educator Certification System; and implement tools for User Management by external partner administrators in the new, integrated Educator Certification System.

Differentiated Accountability - The purpose of the audit was to ensure the program is effective in its mission to facilitate improved student outcomes in districts and schools.

Recommendation: We recommended the Bureau of School Improvement (BSI) establish reasonable and measurable performance goals for reading, math, and science and monitor performance in the targeted persistently lowest-achieving schools to ensure accountability and continued school improvement.

Status: Department leadership is working on the state plan for implementing the Every Student Succeeds Act. New performance goals will be established through this process.

Recommendation: We recommended BSI capture vacancy dates and retain historical staff vacancy data to ensure the performance of the fiscal agents is in alignment with the scope of work dictated by the grants. We additionally recommended BSI strengthen the grant agreements to specify a timeframe to fill staff vacancies.

Status: Ongoing. On August 1, 2015, BSI implemented its new tracking system to monitor staff vacancies on a monthly basis and record the length of time each vacancy occurs.

Recommendation: We recommended BSI contract managers obtain appropriate training for grant monitoring and develop procedures to ensure fiscal agent performance is appropriately monitored for compliance with grant requirements.

Status: The 2016-17 request for application has been approved with a new set of fiscal agent deliverables to allow for more effective monitoring of performance. The contract manager is registered to take the Certified Contract Manager course and will complete the training by mid-July 2016.

AUDIT RESPONSE COORDINATION AND FOLLOW-UP

The OIG provides a single point of contact for external agencies auditing the department. This is done to ensure effective coordination and cooperation between the Office of the Auditor General, federal auditors, and other governmental bodies and to minimize duplication of effort. We coordinate information requests and responses and assist in scheduling meetings for these entities. We provide coordination of the required responses to preliminary and tentative findings issued by the Office of the Auditor General, OPPAGA, U.S. Department of Education, and other oversight agencies. We also coordinate the six-month response on the status of corrective actions taken by the department on any audit findings and recommendations issued by the Office of the Auditor General or OPPAGA. During the 2015-2016 fiscal year, we coordinated the following external projects and follow-ups:



Office of the Auditor General

REPORT NUMBER	REPORT TITLE
2016-095	MIGRANT EDUCATION PROGRAM, MENTORING GRANTS MONITORING, AND THE FLORIDA EDUCATIONAL EQUITY ACT
2016-159	COMPLIANCE AND INTERNAL CONTROLS OVER FINANCIAL REPORTING AND FEDERAL AWARDS
2016-050	SIX-MONTH STATUS: SELECTED ADMINISTRATIVE ACTIVITIES AND PRIOR AUDIT FOLLOW-UP - OPERATIONAL
2016-050	SELECTED ADMINISTRATIVE ACTIVITIES AND PRIOR AUDIT FOLLOW-UP - OPERATIONAL

2015-166	SIX-MONTH STATUS: COMPLIANCE AND INTERNAL CONTROLS OVER FINANCIAL REPORTING AND FEDERAL AWARDS
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RISK ASSESSMENT AND AUDIT PLAN

Section 20.055, Florida Statutes, requires the inspector general to develop long-term and annual audit plans based on periodic risk assessments of the department. This helps ensure the OIG is responsive to management concerns and that those activities judged to have the greatest risks are identified and scheduled for review.

The risk assessment included identifying programs and activities administered by the department and evaluating each activity based on indicators of risk exposure, or risk factors. The programs and activities were determined through discussions with responsible management personnel and review of organization charts and the department’s strategic plan. Senior management then rated the vulnerability of the identified programs and activities by assigning scores for each activity on seven risk factors: financial impact, public relations impact, control environment, changes in operations/systems, management interest, audit coverage, and sensitive data.



Using the results from these efforts and our professional judgment, we developed the audit plan for the 2016-2017 fiscal year. The audit plan provides the most effective coverage of the department’s programs and processes while optimizing the use of internal audit resources. Twenty percent of direct audit hours have been dedicated to enterprise projects at the request of the Chief Inspector General. During the 2016-17 fiscal year, audit resources will be allocated to the following engagements:

2016-17 Audit Plan

DIVISION	PROJECT
BLIND SERVICES	DISTRICT ALLOCATIONS - CARRYOVER
BLIND SERVICES	SOCIAL SECURITY REIMBURSEMENT
DIVISION OF TECHNOLOGY AND INNOVATION	APPLICATIONS DEVELOPMENT AND SUPPORT - CARRYOVER
DIVISION OF TECHNOLOGY AND INNOVATION	RULE 74A COMPLIANCE REVIEW

PUBLIC SCHOOLS	PPS PROCESS REVIEW
PUBLIC SCHOOLS	FEDERAL EDUCATION PROGRAMS - GRANTS MONITORING
PUBLIC SCHOOLS	FAMILY AND COMMUNITY OUTREACH - GRANTS MONITORING
ARM	FLORIDA COLLEGE SYSTEM PERFORMANCE FUNDING REPORTS
MULTIPLE DIVISIONS	STUDENT DATA
FINANCE AND OPERATIONS	STATE SCHOLARSHIPS – CARRYOVER
VOCATIONAL REHABILITATION	FEE-FOR-SERVICE VENDORS
VOCATIONAL REHABILITATION	CENTERS FOR INDEPENDENT LIVING
VOCATIONAL REHABILITATION	THIRD PARTY COOPERATIVE AGREEMENTS
VOCATIONAL REHABILITATION	ADULTS WITH DISABILITIES
VOCATIONAL REHABILITATION	SERVICE SOURCE - CARRYOVER
VOCATIONAL REHABILITATION	EMPLOYMENT SERVICES PROVIDER MONITORING - CARRYOVER

INVESTIGATIONS

The investigations section works to deter, detect, and investigate allegations of fraud, waste, abuse or employee misconduct impacting the department. The section receives inquiries or complaints regarding departmental activity from many sources, including: the Whistle-blower's Hotline, the Florida Department of Financial Services' Get Lean Hotline, the Chief Inspector General's Office, an on-line complaint form on the OIG's website, letters, telephone calls, e-mails, and the Executive Office of the Governor.

If suspicion of potential criminal activity is discovered, it is referred to the appropriate law enforcement agency. The OIG coordinates with law enforcement on any criminal investigation, while ensuring that issues of an internal nature are addressed administratively.

Investigations staff monitor and track all cases to ensure:

- All case findings are reported to the Commissioner and appropriate managers.
- The OIG provides the necessary facts to the department's Office of Labor Relations, the Office of the General Counsel, and department managers to assist them in taking the appropriate actions.
- Cases involving criminal activity are referred to the appropriate law enforcement agency, in accordance with Florida Statutes.

Investigations are conducted in accordance with quality and quantitative standards as set forth in the *Association of Inspectors General Principles and Standards for Offices of Inspector General* and the *Commission for Florida Law Enforcement Accreditation*.

During the 2015-16 fiscal year, the OIG received 264 complaints from the public and other entities, referred 46 complaints to management, initiated 9 investigations, completed 9 investigations, completed 11 whistle-blower determinations and made 3 referrals to criminal agencies. The OIG also processed 532 applicants' background checks and 12 background check reviews.

ADDITIONAL INVESTIGATIVE AUTHORITY

A part of Florida's school choice programs, the McKay Scholarships for Students with Disabilities Program provides Florida students with special needs the opportunity to attend a participating private school. Another program, the Florida Tax Credit Scholarship Program, encourages private, voluntary contributions to expand educational opportunities for children of families that have limited financial resources. In accordance with section 1002.39(6)(c) and 1002.395(9)(f), Florida Statutes, individuals may notify the department of any violation by a parent, private school, or school district of state laws relating to program participation. The department shall conduct an inquiry of any violation or make a referral to the appropriate agency for an investigation. Rules 6A-6.0960 and 6A-6.0970, Florida Administrative Code, provide that

the department may, at any point, refer an inquiry to the department's Office of Inspector General or another appropriate agency for full investigation.

ACCREDITATION

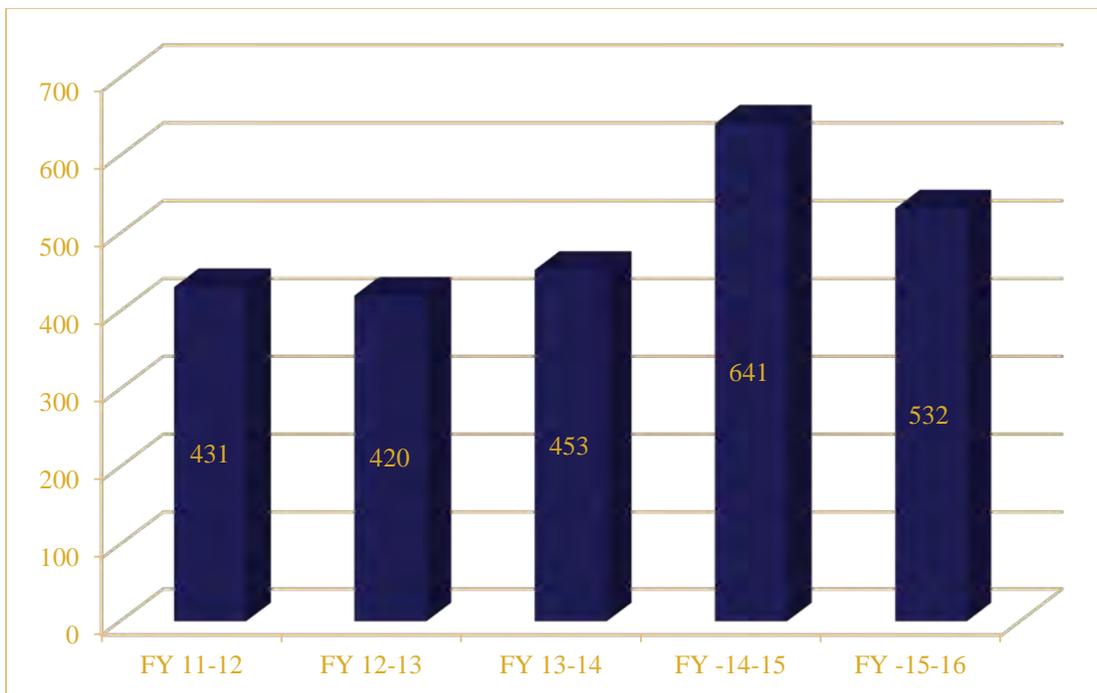
An accreditation program has long been recognized as a means of maintaining and verifying the highest standards. Accreditation is the certification by an independent reviewing authority that an entity has met specific requirements and prescribed standards. In 2009, the Commission for Florida Law Enforcement Accreditation (CFA) expanded its program to include inspectors general offices. In February 2014, the full CFA voted unanimously to award the certificate of accreditation to the DOE Office of Inspector General. The accreditation remains in effect for three years.



CRIMINAL HISTORY CHECK PROGRAM

In accordance with section 435, Florida Statutes, all employees, volunteers, and applicants must undergo a level 2 screening as a condition of employment. The Office of Inspector General is responsible for processing the results of the level 2 screenings of each applicant. During the 2015-2016 fiscal year, the OIG analyst conducted 532 applicant background checks and conducted 12 background check reviews. The chart below depicts, by fiscal year, the number of background checks performed from 2011-2016.

Number of Criminal History Background Checks Performed



COMPLETED INVESTIGATIONS

During the prior fiscal year, the OIG investigated allegations of misappropriation of funds, fraud, and other employee misconduct. A synopsis of those investigations is provided below.



- The OIG received information alleging that Pinellas County Schools (PCS) was hiring substitute teachers to co-teach for the purpose of temporarily improving the student-teacher ratios and meeting class size requirements. The OIG conducted an investigation using student and class data from the 2013-2014 school year because the 2014-2015 data was incomplete at the time the investigation was initiated. The OIG substantiated the allegation that PCS hired substitute teachers to co-teach for the purpose of temporarily improving the student-teacher ratios to meet class size requirements and failed to maintain class size maximums after the October student membership survey. Additionally, the OIG substantiated the allegation that PCS failed to ensure that teachers obtained the required training to prepare them for co-teaching or team teaching methods. Based upon the information gathered during the OIG investigation, the PCS superintendent indicated he would ensure that corrective actions would be taken to adhere to the statutory class size requirement to maintain the appropriate ratio of students to teachers. The superintendent also enacted an improved method for monitoring the required training that prepares teachers for co-teaching or team teaching methods set forth in statute
- The OIG received information from the FDOE Division of Technology and Information Services Information Security Manager, regarding an e-mail sent on behalf of NBC Universal (NBC). The email contained allegations that a copyrighted television show was illegally downloaded from an internet account originating from inside the FDOE network. The OIG investigation substantiated that an FDOE contracted employee used his department work computer to access numerous copyrighted television episodes over the last two years and inserted privately owned external storage devices into his work computer. The contracted employee was removed from his position during the investigation. The OIG recommended that the Division of Technology and Information Services enhance the FDOE Information Security Acceptable Use Policy to include: adherence to a security awareness program; annual security awareness training; specialized training for workers whose duties bring them in contact with exempt or confidential information; on-going education and reinforcement of security practices; a requirement that only agency-owned or agency-managed mobile storage devices are authorized to store agency data; that administrator account privileges are limited to only those workers who require it to perform their job functions; and implementation of a central logging solution and ensure that all logs are retained for a period sufficient for compliance and investigation into any potential breach.
- The OIG received an anonymous complaint alleging that the Office of Early Learning Deputy Director of Programs created a hostile work environment for the staff. The

complaint alleged that the deputy director managed through intimidation and fear, and that she yelled at employees in front of their peers causing humiliation and undue stress. The complaint also alleged that the deputy director promoted, hired, and built up young Caucasian female staff while discriminating against minority staff with more experience, education, and professionalism. Based upon the witness testimony of 24 current and former Office of Early Learning staff members and a review of applicable laws, the OIG investigation found no evidence to support the allegations.

- The Division of Accountability, Research, and Measurement (ARM) referred a middle school to the OIG for investigation of an unusually high similarity index score on the Spring 2014 Florida Comprehensive Assessment Test (FCAT). The OIG investigation determined that six students from the 8th grade Mathematics FCAT assessment confirmed that handwritings on their test were not theirs. Two test proctors provided conflicting statements on who had the key to the file cabinet where the tests were stored during the FCAT assessment. The OIG investigation determined that there was insufficient evidence to conclude that school personnel at the middle school inappropriately altered student responses on the Spring 2014 FCAT. The OIG recommended that the school district and the middle school provide additional training regarding test administration supervision to anyone involved in the administration and coordination of the FCAT. Additionally, it was recommended that district staff assigned to monitor schools transport the testing materials from the schools on the day of testing, securely store the testing materials throughout the length of the testing schedule, and ensure that no testing materials are left at the schools.
- The Division of Vocational Rehabilitation (DVR) forwarded a complaint to the OIG alleging that the Bureau of Vendor and Contracted Services management was directing staff to perform tasks in a way that did not comport with applicable statutes, rules, and regulations. Specifically, staff was directed to grant contracts to DVR providers to conduct services or to reinstate provider contracts before background screenings were completed. The OIG investigation found no evidence to support the allegation.
- The Division of Vocational Rehabilitation (DVR) contacted the OIG concerning confidential client information on an external thumb-drive that was discovered at an automotive repair garage. DVR verified that the thumb-drive contained a file of 54,539 client names, social security numbers, and dates of birth. The OIG investigation determined that the file was created by a former DVR employee. A network search located the same file in the “My Documents” section on the computer of a DVR bureau chief. The OIG determined that the bureau chief failed to properly secure the confidential personal information. The OIG provided a Florida Department of Law Enforcement IT consultant with the 54,539 client names and information and it was determined that no identity theft or a fraud occurred as a result of the confidentiality breach.
- The OIG received information from the DVR Bureau of Vendor and Contracted Services concerning potential fraud of dental services within a DVR unit in Miami. The OIG

conducted a random audit of ten customers from the DVR office in Miami that received dental benefits during an eight month period. The audit revealed that one particular dentist received \$128, 246.61 in authorizations for dental work during that period. The audit also indicated that one DVR counselor generated 68% of the authorizations as compared to 32% of the authorizations by the other five counselors in the same unit. A review of the Rehabilitation Information Management System (RIMS) of the ten random customers determined case notes were identical in seven of the cases. The OIG received case documentation for the ten customers that included case notes, x-rays, dental evaluations and consultations, and signed dental authorization forms from the customers and the dentist. The OIG investigation determined that no violations of policies and procedures were committed.

- The OIG, Internal Audit Section conducted an audit of the McKay Scholarship Program in 2014. The audit determined that McKay Scholarship parents were not signing a required affidavit prior to the schools receiving tuition payments. Specifically, the audit identified 13 students in which the schools did not have signed and notarized affidavits on file affirming the validity of a parent's signature as required prior to the schools receiving the McKay Scholarship payments. The OIG reviewed the student enrollment evidence and public school records provided by the Division of Accountability, Research, and Measurement. The review indicated that one student attended a school that was participating in the McKay Scholarship Program, but \$1,462.00 were erroneously paid to the school. The FDOE requested and received a refund of the scholarship funds from the school.
- The OIG received a complaint from a former DVR employee alleging that a DVR area supervisor discussed confidential employee information with co-workers. The information allegedly discussed included details concerning his FMLA status and other employees' work performance issues. The former employee also alleged that the area supervisor allowed DVR staff to watch movies during work hours on a weekly basis at their office. An OIG investigation determined that there was no evidence to substantiate the allegation that the area supervisor shared any confidential, FMLA, or work performance information with office staff members. Additionally, the area director and area supervisor acknowledged that one of the monthly team building activities chosen by the area office was to watch a movie, which occurred during non-work hours. The OIG recommended that the office ensure this form of team building activity occurs only during non-working hours.

OTHER INVESTIGATIVE ACTIVITIES

- The Office of The Chief Inspector General forwarded a complaint to the OIG in which a DVR employee alleged a hostile work environment and had concerns about the conduct of the staff in her office. The complainant reported to the OIG that she was physically assaulted by a fellow DVR employee when the employee had forgotten about her medical issues and sprayed cologne on her, which caused her to have an adverse reaction and

become sick. The complainant further related that her area supervisor verbally assaulted her while they were discussing her FMLA status and, he exhibited disrespectful behavior toward other employees. The OIG referred the complaint to the FDOE, Office of Labor Relations for any action that may fall within their jurisdiction.

- An FDOE employee reported to the OIG that her bureau chief had demonstrated mistreatment and discrimination against her and other employees. The employee explained that she had issues with her health and the bureau chief required her to apply for ADA accommodations when she wanted to move from her work cubicle to another because her cubicle was hot with minimal air flow exacerbating her medical issues. The employee stated that the bureau chief denied all of her requests with no explanation and that no other employee had to qualify for ADA accommodations in order to switch cubicles. The employee related that on various occasions the bureau chief showed anger toward her, used threatening words, and yelled at her. She also related that the bureau chief harassed and demeaned the older employees in their office and indicated that she considered the demotion of employees that were over 60 years old even while their workloads had increased. The OIG referred the complaint to the FDOE, Office of Labor Relations for any action that may fall within their jurisdiction.
- A DVR employee contacted the OIG alleging that she was harassed and bullied by her supervisor. The DVR employee stated to the OIG that she wrongfully received a written reprimand from her supervisor for conduct unbecoming of a state employee and insubordination for inappropriate behavior that stemmed from an incident that took place in Tampa, Florida during a Florida Rehabilitation Council meeting. The DVR employee also stated that when she submitted a travel reimbursement request for the days she was in Tampa on official business her supervisor would not approve the request. The OIG referred this matter to the DVR director for review and any action deemed necessary.
- The Office of The Chief Inspector General forwarded a complaint to the OIG from a DBS employee alleging that the FDOE, Office of Labor Relations was delaying her request for leave under FMLA. The DBS employee told the OIG that she submitted her request for FMLA, which was endorsed by a licensed clinical social worker who reported that she had several medical conditions. The Office of Labor Relations subsequently notified the DBS employee that they required additional information to confirm the medical conditions in order to consider the FMLA request because the medical conditions noted in the request were not the clinical social worker's diagnosis, but were reported to her by the DBS employee. The DBS employee contacted the U.S. Department of Labor, Wage and Hour Division to look into the issue because she believed that the Office of Labor Relations should have been able to grant her FMLA request without any further documentation from a health care provider. Subsequently, the Office of Labor Relations informed the OIG that intermittent leave under FMLA was approved for the DBS employee for a three month period.

WHISTLE-BLOWER DETERMINATIONS

The investigations section completed eleven whistle-blower determinations during Fiscal Year 2015-2016. After assessing each complaint, the OIG determined that the allegations did not demonstrate reasonable cause to suspect that the department or independent contractor violated any federal, state, or local law, rule or regulation. Based upon further review, the complaints were referred to the necessary entities for action deemed appropriate.

OTHER OIG ACTIVITIES

Single Audit Act - The Executive Office of the Governor, Office of the Chief Inspector General identified Single Audit as an enterprise project in its Audit Plan for Fiscal Year 2015-2016 and initiated an enterprise project to assess Single Audit activities. The DOE Inspector General participated on the team assigned to conduct the review. The team surveyed select state agencies to gather information about the processes and procedures related to Single Audit activities.

Based on the results of the survey and other research conducted for this project, the team identified the following areas for improvement for agencies that provide financial assistance to recipients and subrecipients:

- Single Audit processes and procedures should be developed;
- Procedures should clearly define how the deficiencies identified by the Single Audit reviews are to be communicated to the Grant Managers for appropriate follow-up;
- Methods used to determine recipients/subrecipients that may be required to submit Single Audit Reports should be standardized among agencies that provide financial assistance to recipients/subrecipients;
- Electronic submission of Single Audit Reports should be required;
- Single Audit checklists should be standardized and contain elements required by the Florida Auditor General;
- A reporting form similar to the Federal Data Collection Form (Form SF-SAC) should be developed and required;
- A central repository to collect Single Audit Reports from recipients/subrecipients and to maintain a public database of completed audits should be established; and
- Section 215.97(6), Florida Statutes, should be evaluated to determine if any efficiencies or other benefits would be gained by statutory changes.



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