



State Board of Education

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September 29, 2020

Melinda Miguel
Chief Inspector General
The Capital
Suite 1902
400 S. Monroe Street
Tallahassee, Florida 32399-0001

Dear Chief Inspector General Miguel:

I am pleased to submit our Annual Report on the activities of the Department of Education, Office of Inspector General for the fiscal year ending June 30, 2020, as required by Section 20.055(8), Florida Statutes.

We look forward to working with you as we continue to meet the challenges and opportunities that face the Department of Education. We are committed to promoting accountability and integrity and continuing our efforts to detect and prevent fraud, waste, abuse, and mismanagement in department programs. Thank you for your continued support.

Respectfully submitted,

Mike Blackburn



Department of Education Office of Inspector General

ANNUAL REPORT

Fiscal Year 2019-2020



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 the proficiency of all students within one seamless, efficient system, by providing them with the opportunity to expand their knowledge and skills through learning opportunities and research valued by students, parents, and communities, and to maintain 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 (OIG) 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 reviews;
- 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 or the Office of Program Policy Analysis and Government Accountability (OPPAGA); 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 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 Organizational Chart



OIG STAFF QUALIFICATIONS AND CERTIFICATIONS

The 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, law enforcement, 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 Information Systems Auditor (CISA)
- Certified Inspector General Investigator (CIGI)
- Certified Fraud Examiner (CFE)
- Former Law Enforcement Officer
- Certified Public Manager
- Notary Public
- Certified Commission for Florida Law Enforcement Accreditation Assessors



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)
- Florida Association of Inspectors General (FAIG)
- Association of Government Accountants (AGA)
- Association of Certified Fraud Examiners (ACFE)
- Florida Society of Certified Public Managers
- ISACA



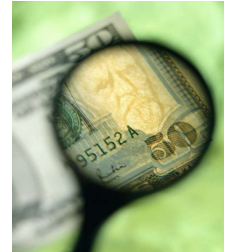
MAJOR ACTIVITIES AND FUNCTIONS

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:

- Conducting compliance, electronic data processing, performance, and financial audits of the department and recommending corrective action for deficiencies or matters of noncompliance.
- Conducting consulting activities in order to provide independent advisory services to department management.
- Assessing the reliability and validity of department performance measures.
- Ensuring effective coordination and cooperation with the Office of the Auditor General, the Office of Program Policy Analysis and Government Accountability (OPPAGA), federal auditors, and other governmental bodies to ensure proper coverage and minimize duplication of effort.
- Conducting risk assessments of the department annually, taking into consideration the input of senior management.
- Developing 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.
- Monitoring the implementation of the department's response to audit reports issued by the department's inspector general, Office of the Auditor General, or OPPAGA.
- Developing and maintaining a quality assurance and improvement program that covers all aspects of the internal audit activity, with an external assessment conducted every three years.
- Participating in enterprise projects and providing 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, and affected department managers.

ACCOMPLISHMENTS

Internal audit completed thirty-four engagements during the 2019-2020 fiscal year, which can be viewed online at <http://www.fldoe.org/about-us/office-of-the-inspector-general/audit-reporting-products.stml>. The results of those engagements are summarized below:

Student Data - 18 Month Status Report

We followed up on the status of corrective actions required in response to findings and recommendations contained in Report #A-1617-028, Student Data. The Division of Technology and Innovation management indicated corrective action has been initiated or completed for each of their reported deficiencies.

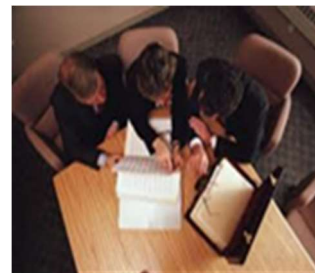
State Scholarships - 6 Month Status Report

We followed up on the status of corrective actions required in response to findings and recommendations contained in Report #A-1718-007, Florida State Scholarship Programs Administered by the Office of Independent Education and Parental Choice (IEPC). IEPC management completed corrective action for each of their reported deficiencies.

Baccalaureate Approval 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-1819-030, Baccalaureate Degree Approval Process administered by the Division of Florida Colleges (DFC). DFC management completed corrective action for their reported deficiency.

21st Century Community Learning Center (21st CCLC) Grants - The Bureau of Family and Community Outreach (BFCO) provides resources, recognition, and technical assistance to increase family engagement and promote children's success in education through grant awards to schools and community-based education programs. The department receives federal funding from the U.S Department of Education to administer 21st CCLC programs in Florida. The purpose of this audit was to determine whether BFCO effectively monitored the 21st CCLC subrecipients and whether the 21st CCLC subrecipients provided services in accordance with the grant. During this audit we noted that, in general, BFCO effectively monitored the 21st CCLC subrecipients and 21st CCLC subrecipient, Kid's Hope Alliance, provided services in accordance with the grant. However, we noted instances where improvements could be made to strengthen certain internal controls. For example, we cited instances where BFCO did not approve deliverables in a timely manner, and Kid's Hope Alliance did not meet the average daily attendance goal.



We recommended BFCO:

- Review deliverables within five business days as mandated by the grant agreements;
- Document correspondence with providers after submission of deliverables in order to accurately track outstanding requests and final submissions; and

- Enhance controls to ensure deliverables are reviewed timely in the event of staff turnover. This should include supervisory review to periodically ensure deliverables are reviewed and approved in a timely manner.

We recommended Kids Hope Alliance:

- Strive to meet the average daily attendance goal for both sites in accordance with the application. This could be accomplished by enhancing marketing and awareness activities for this grant program in order to raise parental awareness whose youth would benefit from the program.

Division of Blind Services (DBS) Tracker Application - 6 Month Status Report

We followed up on the status of corrective actions required in response to findings and recommendations contained in Report #A-1718-016, DBS Tracker Application. DBS management indicated corrective action has been initiated for each of their reported deficiencies.

Division of Career and Adult Education (DCAE) Grants Administration - 18 Month Status Report

We followed up on the status of corrective actions required in response to findings and recommendations contained in Report #A-1617-025, DCAE Grants Administration. As a result of the audit, we recommended that DCAE include performance targets for all primary measures in the Adult Education grants to ensure providers are achieving their performance goals and to address forthcoming Workforce Innovation and Opportunity Act guidelines. As of August 27, 2019, the U.S Department of Education's Office of Career, Technical, and Adult Education (OCTAE) has not captured two years of baseline data and consequently has not begun negotiating performance targets. The department is not allowed to add performance targets to the request for applications until the appropriate accountability levels are agreed upon with OCTAE. Therefore, we closed the remaining finding and recommendation.

State Scholarships - 24 Month Status Report

We followed up on the status of corrective actions required in response to findings and recommendations contained in Report #A-1516-029, State Scholarships. Management indicated corrective actions have been completed for each of the reported deficiencies.

Review of the Office of Student Financial Assistance Data Exchange memorandum of understanding (MOU) with the Department of Highway Safety and Motor Vehicles (DHSMV) -

The Office of Student Financial Assistance (OSFA) administers state scholarship and grant programs and serves as a guarantor for the Federal Family Education Loan Program. OSFA provides customer attention, comprehensive financial aid information, and convenient and efficient products to loan borrowers. In order to locate and update student borrower loan information, OSFA is permitted access to driver license and motor vehicle data through an MOU with DHSMV. The MOU establishes conditions under which DHSMV agrees to provide OSFA electronic access to the Driver and Vehicle

Information Database. Every three years, DHSMV requests that the department submit an attestation ensuring that the data is being used in an appropriate manner. We were charged with providing this attestation statement to DHSMV. Through our review of controls, policies, and processes, we determined that OSFA generally operated in compliance with the terms set forth in the data exchange MOU. All deficiencies noted were corrected during the engagement.

Title II, Part A Monitoring - The Bureau of Educator Recruitment, Development, and Retention (BERDR) provides technical assistance, program support, and monitoring to local educational agencies (LEA) that lead to improved academic achievement outcomes, enhanced classroom instructional strategies that promote rigor and relevance throughout the curriculum, and students prepared for continuing education and the workforce. BERDR is responsible for monitoring state and federally funded programs, including Title II, Part A, to ensure that all legally prescribed components are in place to increase student achievement. The purpose of this consulting engagement was to assist BERDR in developing processes to effectively monitor the Title II, Part A grants in accordance with laws, rules, and regulations. We initiated a consulting engagement to analyze and advise on the controls, policies, and processes in place related to the BERDR Title II, Part A grant monitoring process. We reviewed risk assessments, monitoring compliance requirements, monitoring timeframes, report dissemination, and the overall monitoring process for the period of July 1, 2017, through July 30, 2019. At the conclusion of our review, we provided guidance to BERDR for process improvements.

We recommended BERDR:

- Complete and retain risk assessments on an annual basis in order to consistently and effectively determine monitoring needs;
- Clarify and enhance the methodology they use to select LEAs for monitoring to ensure the selection methodology aligns with BERDR's monitoring goals and available resources;
- Conduct a feasibility study to determine the time necessary to complete the monitoring process, identify other obligations requiring staff time, and base monitoring efforts on staff availability and the identified timeframes. Based on the results of the feasibility study, senior management should determine the monitoring goals for the program;
- Add allocation amounts and change in teacher vacancies from one fiscal year to the next as risk assessment elements;
- Implement consistent risk metrics and risk measurement processes from year to year;
- Create a formal procedure or desk guide to document steps necessary to complete Title II, Part A application and monitoring activities;
- Evaluate their onsite and desktop monitoring activities to provide greater distinction between the two types of monitoring;

- Review applications and monitoring activities across all federal programs and evaluate whether resources can be shared to increase efficiency during the desktop and onsite monitoring; and
- Enable additional staff to assist with processing amendments.

Miami-Dade County School District (MDCSD) Adults with Disabilities (AWD) Grant -

The General Appropriations Act of Florida designated \$1,125,208.00 from the Adults with Disabilities Grant Funds for the Miami-Dade AWD Program for the 2018-2019 fiscal year. The Division of Vocational Rehabilitation (DVR) oversees the AWD Grant. The purpose of this audit was to determine if the MDCSD has sufficient internal controls to provide services to adults with disabilities in compliance with grant terms and DVR is effectively providing oversight of the grant. During this audit, we noted that the MDCSD generally had sufficient controls in place, and DVR provided oversight of the grant. However, there were instances where improvements could be made to strengthen some of these controls. For example, we cited instances where DVR did not conduct monitoring in accordance with the monitoring plan; documentation of the Adult Individual Education Plans (AIEP) was inconsistent and did not always include all required information; and the MDCSD did not report, and DVR did not require the MDCSD to report, on their participants' completion of benchmarks.

We recommended DVR:

- Ensure the monitoring plans reflect sufficient activities to monitor high-risk providers;
- Promptly provide the monitoring results and recommendations for improvement to the MDCSD and ensure corrective action has been initiated on noted deficiencies;
- Review the grant language to determine the intent of the grant and modify language appropriately. If the grant language remains unchanged, we recommend DVR ensure deliverables are met on a quarterly basis through review of AIEPs and progress reports from the MDCSD; and
- Include a review of the AIEPs in their monitoring activities to ensure consistency and compliance with the grant terms.

We recommended MDCSD:

- Ensure all sites complete the AIEPs in accordance with grant terms; and
- Ensure that participants complete the benchmarks in accordance with grant terms and ensure the AIEPs reflect the achievement of benchmarks.

Suncoast Center for Independent Living (SCIL) - DVR entered into Contract #19-114 with SCIL to provide funding for rehabilitation services or other services to enhance the ability of persons who have significant disabilities to live independently, function within their communities, and if appropriate, to secure and maintain employment. The purpose of this audit was to determine if SCIL's internal controls ensure effective delivery of program services to individuals with disabilities and determine if DVR effectively manages and monitors the contract for compliance. During this audit, we noted that the SCIL had

insufficient controls in place and DVR could strengthen oversight of the contract. We noted instances where the SCIL did not ensure consumer service records (CSR) contained all required documentation; did not maintain proper fiscal oversight; did not record service hours accurately or by funding source; did not conduct all background screenings in accordance with contract terms; and did not always follow its own internal policies. In addition, DVR did not conduct monitoring in accordance with the monitoring plan.

We recommended SCIL:

- Enhance its procedures to ensure they maintain all required documents in the CSRs, including eligibility determinations;
- Establish and maintain IL plans with consumers, document the joint development of the plan, and conduct and document timely annual reviews;
- Maintain financial records in accordance with contract terms to support expenditures incurred;
- Enhance its procedures to ensure expenses funded through DVR's contract are allowable and appropriately reflected in budget reconciliations by funding source;
- Ensure employees accurately and consistently allocate work hours across funding sources on the submitted timesheets;
- Maintain the petty cash in accordance with policies and procedures with completed and approved vouchers;
- Consistently and accurately record services hours in the Comprehensive Organizational Management System (COMS) by funding source and ensure the hours submitted to DVR through invoices are supported and accurate;
- Review service hour documentation and ensure hours are properly categorized and only assigned to active consumers upon receipt of services;
- Conduct all background screenings according to the contract and Florida Statutes;
- Not hire a person in any role that requires a background screening until the background screening is completed and the person is determined eligible to provide services;
- Update the Fiscal Policy and Procedures;
- Consistently follow its established policies and procedures including proper monitoring of the Executive Director; and
- Maintain inventory records and conduct physical counts of inventory on an annual basis.



We recommended DVR:

- Include a review of CSRs in its monitoring activities;
- Perform periodic reviews to ensure expenditures are allowable, allocable, reasonable, and necessary to the performance of the contract;
- Periodically request and review supporting documentation for the service hours submitted by the SCIL through the invoices; and

- Conduct monitoring in accordance with the risk assessment and monitoring plan. In addition, DVR should promptly provide the monitoring results and recommendations for improvement to the SCIL and ensure corrective action has been initiated on noted deficiencies.

University of South Florida - 12 Month Status Report

We followed up on the status of corrective actions required in response to findings and recommendations contained in Report #A-1718-017, University of South Florida. DVR management indicated corrective action has been initiated or completed for each of their reported deficiencies.

Florida Alliance for Assistive Services and Technology - 6 Month Status Report

We followed up on the status of corrective actions required in response to findings and recommendations contained in Report #A-1819-007, Florida Alliance for Assistive Services and Technology, Inc. (FAAST). DVR and FAAST management indicated corrective action has been initiated for each of their reported deficiencies.

Computer Security Incident Response Team (CSIRT) - In consultation with the Agency for State Technology and the Cybercrime Office of the Florida Department of Law Enforcement, the department established a CSIRT whose function is to respond to information technology (IT) security incidents. The CSIRT is responsible for investigating and mitigating incidents to minimize damage to IT resources. The purpose of this audit was to determine if the CSIRT has sufficiently designed controls in place to respond to computer security incidents in compliance with applicable laws, rules, and national standards. During the audit, we found that the CSIRT generally had sufficient controls in place. However, we noted instances where improvements could be made to strengthen some of these controls. In accordance with Florida Statute section 282.318, the results of this internal audit are confidential and exempt from public record.

Division of Blind Services (DBS) Social Security Reimbursement - 18 Month Status Report

We followed up on the status of corrective actions required in response to findings and recommendations contained in Report #A-1718-009, DBS Social Security Reimbursement. DBS management indicated corrective actions have been completed for each of the reported deficiencies.

Alliance Community and Employment Services - 6 Month Status Report

We followed up on the status of corrective actions required in response to findings and recommendations contained in Report #A-1819-006, Alliance Community and Employment Services (ACES). DVR and ACES management indicated corrective action has been initiated or completed for each of their reported deficiencies.

Florida Endowment for Vocational Rehabilitation, Inc., dba The Able Trust - 6 Month Status Report

We followed up on the status of corrective actions required in response to findings and recommendations contained in Report #A-1819-021, Florida Endowment for Vocational Rehabilitation, Inc., dba The Able Trust. DVR and Able Trust management indicated corrective action has been initiated or completed for each of their reported deficiencies.

Center for Independent Living of South Florida - 18 Month Status Report

We followed up on the status of corrective actions required in response to findings and recommendations contained in Report #A-1718-004, Center for Independent Living of South Florida (CILSF). DVR completed corrective action for each of their reported deficiencies. CILSF management indicated corrective action has been initiated for their outstanding deficiency.

Title I, Part A Applications - The Bureau of Federal Educational Programs (BFEP) provides technical assistance, program support, and monitoring to local educational agencies (LEA) that lead to improved academic achievement outcomes for students who are disadvantaged, migrant, neglected, delinquent, at risk, or homeless or who attend rural and low-income schools. BFEP is responsible for monitoring federally funded programs, including Title I, Part A, to ensure that all legally prescribed components are in place to increase student achievement. The purpose of this consulting engagement was to assist BFEP in developing procedures to effectively process grant applications for Title I, Part A grants in accordance with laws, rules, and regulations. We initiated a consulting engagement to analyze and advise on the controls, policies, and processes in place related to the BFEP Title I, Part A grant application process. We reviewed the risk assessment, BFEP grant application checklists, and the overall process for reviewing and approving Title I, Part A grants for the period of July 1, 2017, through July 30, 2019. At the conclusion of our review, we provided guidance to BFEP for process improvements.

We recommended BFEP:

- Develop detailed internal tracking mechanisms for monitoring the processing of school district grant applications. At a minimum, this should include recording key milestones and dates for reviewing and editing grant applications by BFEP analysts and the corresponding correction and resubmission by the school districts. An enhanced internal tracking mechanism could assist BFEP in identifying where application processing delays take place and assist BFEP management in more effectively allocating its available staff resources;
- Establish timeframe expectations for the application review process including initial review timeframes for the BFEP analysts, timeframes for communicating with the LEAs, and timeframes for supervisory review;
- Train staff in the area of grant application reviews to ensure applications are reviewed and processed in a consistent manner. In addition, cross training staff across federal programs and utilizing additional employees to conduct reviews could reduce the timeframe to review and approve applications;

- Identify school districts with consistent application delays, which could assist the bureau in how it provides its annual training and technical assistance to the identified districts with respect to Title I, Part A;
- Develop tracking mechanisms that identify Areas of Focus and other programmatic requirements that require the highest frequency of edits and corrections. By quantifying the number of programmatic edits made by BFEP analysts, BFEP can identify problem areas and concentrate its training efforts with BFEP staff and school districts toward remedying particular areas of need; and
- Compare the requirements in the applications to the requirements in the federal law and identify areas of duplication and non-required information in order to streamline the application review process.

Internal Control and Data Security Audit - The School Transportation Management Section entered into a data exchange memorandum of understanding (MOU) with the Department of Highway Safety and Motor Vehicles (DHSMV). The MOU establishes conditions under which DHSMV agrees to provide the School Transportation Management Section with electronic access to driver license and motor vehicle data. We were charged with providing the internal control and data security audit required in the MOU. Through our review of controls, policies, and processes, we determined that the School Transportation Management Section and the Division of Technology and Innovation generally operated in compliance with the terms set forth by the data exchange MOU. The deficiencies noted through the audit were corrected during the course of the audit.

Division of Blind Services (DBS) Tracker Application - 12 Month Status Report

We followed up on the status of corrective actions required in response to findings and recommendations contained in Report #A-1718-016, DBS Tracker Application. DBS management completed corrective action for each of their reported deficiencies.

21st Century Community Learning Center Grants - 6 Month Status Report

We followed up on the status of corrective actions required in response to findings and recommendations contained in Report #A-1819-015, 21st Century Community Learning Center Grants. The Bureau of Family and Community Outreach management and Kid's Hope Alliance management indicated corrective action has been initiated or completed for each of their reported deficiencies.

Student Data - 24 Month Status Report

We followed up on the status of corrective actions required in response to findings and recommendations contained in Report #A-1617-028, Student Data. The Office of Education Information Services has one remaining deficiency identified in the original report, which has not been resolved through corrective action. The Division of Technology and Innovation (DTI) management has signed the acceptance of risk memo acknowledging the risks associated with the identified deficiency and their understanding that the responsibility for ensuring corrective action related to the above mentioned report now lies with DTI.

Interpreter Services Program - The Division of Vocational Rehabilitation (DVR) is a federal-state program committed to helping people who have physical or mental disabilities find and maintain meaningful employment and enhance their independence. Among the various methods of accommodations provided to these individuals is the provision of quality interpreting services. The purpose of this audit was to determine if DVR effectively manages and monitors the Interpreter Services Program and if payments are made in accordance with the DVR Sign Language Interpreter Services Application terms. During this audit, we noted that DVR generally had sufficient controls in place and provided oversight of the Interpreter Services Program. However, there were instances where improvements could be made to strengthen some of these controls. For example, we cited instances where Sign Language Interpreter Agencies did not submit their Semi-Annual Employee/Contractor reports in the time frame required by the application; DVR paid for invoices which included services provided by an unqualified interpreter; and DVR paid for invoices which did not identify the interpreter providing services.

We recommended DVR:

- Monitor contract submissions by agencies to ensure reports are submitted in accordance with guidelines established in the Interpreter Application;
- Ensure the interpreters identified on the Employee/Contractor Reports have been appropriately added to the Rehabilitation Information Management System; and
- Ensure all invoices include the interpreter's name and verify that the interpreter is certified to provide services prior to payment of the invoices in accordance with the DVR Sign Language Interpreter Services Application.

Miami-Dade County School District - Adults with Disabilities Grant - 6 Month Status Report

We followed up on the status of corrective actions required in response to findings and recommendations contained in Report #A-1819-022, Miami-Dade County School District - Adults with Disabilities. The Division of Vocational Rehabilitation and Miami-Dade County School District management indicated corrective action has been initiated for each of their reported deficiencies.

Suncoast 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-1819-027, Suncoast Center for Independent Living, Inc. The Division of Vocational Rehabilitation and Suncoast Center for Independent Living, Inc. management indicated corrective action has been initiated for each of their reported deficiencies.

Alliance Community and Employment 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-1819-006, Alliance Community and Employment Services (ACES). The Division of Vocational Rehabilitation management completed

corrective action for each of their reported deficiencies. ACES management indicated corrective action has been initiated for each of their reported deficiencies.

University of South Florida - 18 Month Status Report

We followed up on the status of corrective actions required in response to findings and recommendations contained in Report #A-1718-017, University of South Florida. The Division of Vocational Rehabilitation management indicated corrective action has been completed or initiated for each of their reported deficiencies.

Nassau County School Board - Work-Based Learning Experiences (WBLE) - The Division of Vocational Rehabilitation (DVR) and Nassau County School Board entered into Contract #19-116 on June 28, 2018, and renewal Contract #19-166 on June 1, 2019, to provide WBLE services to eligible students. The WBLE services help students obtain workplace or real work experience and provide students with the knowledge and skills that will help them connect experiences while in school to real life work activities and future career opportunities, increasing their post-school outcomes. The purpose of this audit was to determine if Nassau County School Board has sufficient internal controls to provide effective delivery of WBLE services in compliance with contractual terms and DVR is effectively monitoring the contracts. During this audit, we noted that the Nassau County School Board generally had sufficient controls in place, and DVR generally provided effective oversight of the WBLE contracts. However, there were instances where improvements could be made to strengthen some of these controls. For example, we cited instances where DVR did not provide effective monitoring in accordance with the monitoring plan, tier level determinations in the contract were vague, Plan & Agreement WBLE goals did not always align with WBLE experiences, and the Nassau County School Board did not report WBLE service hours in the final reports.

We recommended DVR:

- Conduct and document monitoring activities in accordance with the risk assessment and subsequent monitoring plan;
- Provide the monitoring results and recommendations for improvement to Nassau County School Board and ensure corrective action has been initiated on noted deficiencies;
- Conduct semi-annual Rehabilitation Electronic Billing Application data analysis, conduct sample case reviews, and conduct full monitoring semi-annually for the duration of the Nassau County School Board WBLE contract based on the risk evaluation;
- Utilize the DVR 2018 Provider Monitoring Guidebook or develop new procedures to include monitoring practices for contracts;
- Clarify and strengthen the contract language regarding tier level determinations for students;
- Provide training to all Vocational Rehabilitation Counselors who provide WBLE guidance to ensure tier levels are consistently and accurately determined, correlate with the IPEs, and align with the mission of the program;

- Ensure the WBLE goals align with WBLE experiences in the Plan & Agreements, and if services do not align, ensure the provider has provided a valid explanation of the variances prior to payment;
- Provide training to all Vocational Rehabilitation Counselors who provide WBLE guidance to ensure communication with the providers is consistent and aligns with the mission of the program;
- Revise the WBLE final report form to include a data reporting field for WBLE service hours related to the contract; and
- Ensure the minimum service hours have been met by Nassau County School Board prior to issuing the final payment.

We recommended Nassau County School Board:

- Ensure the appropriate tier level for WBLE services that correlates with the students' Individual Education Plans and Individualized Plans for Employment;
- Ensure that all students participating in WBLE services are placed in WBLE experiences that align with their WBLE goals through the Plan & Agreement process;
- Provide a detailed explanation on how the desired work experience relates to targeted WBLE goals or expected outcomes in the student's Plan & Agreement if WBLE services differ from the goal; and
- Report WBLE service hours, including supporting documentation, in accordance with the contract and maintain WBLE timesheets for student service hours in accordance with the WBLE start and end dates reflected in the rating forms.

Review of the Office of Professional Practices Services Data Exchange memorandum of understanding (MOU) with the Department of Highway Safety and Motor Vehicles (DHSMV) -

The Office of Professional Practices Services (PPS) administers a state-level grievance process and plays an integral part in ensuring that appropriate disciplinary actions are taken against the certificate of an educator certified to teach in Florida. PPS investigates alleged misconduct by educators in Florida who hold an educator's certificate and pursues disciplinary actions against the certificates of educators found to have committed acts of misconduct. In order for PPS to carry out their duties, they are permitted access to driver license and motor vehicle data through an MOU with DHSMV. The MOU establishes conditions under which DHSMV agrees to provide PPS electronic access to the Driver and Vehicle Information Database. Every three years, DHSMV requests that the department submit an attestation ensuring that the data is being used in an appropriate manner. We were charged with providing this attestation statement to DHSMV. Through our review of controls, policies, and processes, we determined that PPS generally operated in compliance with the terms set forth in the data exchange MOU. PPS corrected all identified deficiencies during the engagement.

Florida Alliance for Assistive Services and Technology - 12 Month Status Report

We followed up on the status of corrective actions required in response to findings and recommendations contained in Report #A-1819-007, Florida Alliance for Assistive

Services and Technology, Inc. (FAAST). The Division of Vocational Rehabilitation and FAAST management indicated corrective action has been initiated for each of their reported deficiencies.

Computer Security Incident Response Team - 6 Month Status Report

We followed up on the status of corrective actions required in response to findings and recommendations contained in Report #A-1819-031, Computer Security Incident Response Team (CSIRT). CSIRT management completed corrective actions for each of their reported deficiencies.

Seclusion and Restraint - The United States Department of Education Office for Civil Rights (OCR) revised the Civil Rights Data Collection beginning with school year 2009-2010 to require the reporting of the total number of students subjected to restraint or seclusion disaggregated by race/ethnicity, sex, limited English proficiency status, and disability, and to collect the total number of times that restraint or seclusion occurred. The OCR requires reporting of the seclusion and restraint data every two years. The department has opted to collect the information and submit the data to OCR on behalf of the school districts. The department collects and monitors data regarding seclusion and restraint for students with disabilities through the Bureau of Exceptional Education and Student Services (BEESS) data system. Additionally, incidents of seclusion and restraint for all students (general education and students with disabilities) is reported through the department's Automated Student Information System (SIS). The purpose of the consulting engagement was to determine whether the department has an effective process in place to collect and report seclusion and restraint data in accordance with laws, rules, and regulations. During this engagement we noted that, in general, the department complies with the statutory requirements to collect information regarding incidents involving seclusion and restraint for students with disabilities. The department is also reporting the required information to the federal OCR. Through this engagement we identified areas of improvement for the seclusion and restraint data collection and reporting process, including identifying the recommended option of one collection point utilizing the BEESS data system.

We recommended:

- BEESS add a data field in the BEESS data system to record the date districts prepare incident reports and the date the final reports are sent to parents or guardians;
- BEESS periodically review the data to identify areas of possible noncompliance and identify districts who many need technical assistance or additional monitoring;
- The department create one collection point for seclusion and restraint data using the current BEESS system which would include both ESE student and non-ESE student incidents; and
- The department ensure the BEESS system utilizes the student's Florida Education Identifier number and import the student demographic database table into the BEESS system.

Florida Endowment for Vocational Rehabilitation, Inc., dba The Able Trust - 12 Month Status Report

We followed up on the status of corrective actions required in response to findings and recommendations contained in Report #A-1819-021, Florida Endowment for Vocational Rehabilitation, Inc., dba The Able Trust. The Division of Vocational Rehabilitation and Able Trust management indicated corrective action has been initiated for each of their 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(8)(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, 2020.

Center for Independent Living of South Florida (CILSF) - The purpose of this audit was to determine if CILSF's internal controls ensure effective delivery of program services to individuals with disabilities and determine if the Division of Vocational Rehabilitation effectively manages and monitors the contract for compliance.

Recommendation: We recommended the CILSF update its policies and procedures so they do not conflict with contract terms, each other, or federal regulations.

Status: Proposed policies and procedures are awaiting review during an upcoming Board of Director's meeting for adoption. Due to the length and complexity of the process, approval has resulted in a need for continuation in the anticipated outcome.

University of South Florida - The purpose of the audit was to assess the adequacy of the department's management of the contract and ensure USF adhered to contractual terms.

Recommendation: We recommended that the Division of Vocational Rehabilitation (DVR) conduct desktop monitoring each year of the contract to verify contractor compliance and issue a final report with a corrective action plan, if necessary. We additionally recommended DVR conduct a cost benefit analysis on the contract to ensure DVR is obtaining services as efficiently and effectively as possible and to determine if they should rebid the contract in the future.

Status: Due to changes in staff, the scheduled desk monitoring was not completed by December 30, 2019. DVR will begin to prepare for a desk monitoring once the COVID pandemic has subsided and the staff involved in the management of the contract at the university is fully back in the office to provide requested records and documentation during the monitoring. In addition, DVR plans to conduct a competitive solicitation for the rehabilitation engineering services after the start of the new fiscal year.

Alliance Community and Employment Services (ACES) - The purpose of this audit was to determine if ACES has sufficient internal controls to provide effective delivery of employment services and whether the Division of Vocational Rehabilitation (DVR) is effectively monitoring the agreement.

Recommendation: We recommended ACES begin regular contact with the customers within two weeks of referral acceptance in accordance with contract terms and document the contact with the customers in the Monthly Progress Reports (MPR). If ACES is unable to contact the customers, they should notify the Vocational Rehabilitation Counselor in writing to document contact attempts.

Status: Per ACES, management has met with employment specialists regularly via phone, email, and in person to discuss making contact with the DVR client within two weeks of receiving a new referral. Management has reached out to DVR clients to make sure that they were contacted to schedule the intake meeting to discuss employment services. The Employment Specialist has reached out to the DVR counselor if they are having a difficult time making contact with the DVR client.

Florida Alliance for Assistive Services and Technology (FAAST) - The purpose of this audit was to ensure FAAST has sufficient internal controls in place to provide assistive technology services and devices in compliance with contract terms and determine whether the Division of Vocational Rehabilitation (DVR) is effectively monitoring the contract.

Recommendation: We recommended DVR clarify the contract language regarding device loans to consumers and enhance their procedures to ensure FAAST meets all deliverable requirements prior to final payment.

Status: DVR met with FAAST on January 27, 2020, to discuss contractual changes. Discussions also included the merging of the two contracts with FAAST. Merging the two contracts will be effective October 1, 2020.

Recommendation: We recommended DVR conduct monitoring in accordance with the risk assessment and subsequent monitoring plan. In addition, we recommended DVR promptly provide the monitoring results and recommendations for improvement to FAAST and ensure corrective action has been initiated on noted deficiencies.

Status: Due to the most recent developments and concerns with the contractor, DVR delayed any further monitoring to not interfere with the ongoing investigations or duplicate efforts. In

addition, DVR will be developing a new monitoring frequency in relation to the new contract development.

Recommendation: We recommended FFAST streamline its data gathering and reporting procedures to ensure accuracy of reported deliverables and maintain adequate documentation to support performance. If FFAST makes adjustments subsequent to an approved invoice, they should provide an explanation and supporting documentation to DVR.

Status: FFAST and DVR have begun collaborative work to establish new reporting standards for device loan deliverables that will meet the Agency for Community Living and DVR requirements. The new language will be incorporated into the upcoming contract renewal on July 1, 2020. However, if the current contract language is extended from July 1 – Sept 30, 2020, to accommodate a proposed contract period change, the revised data collection and reporting standards that address the documented concerns will be determined and finalized by DVR and FFAST by the October 1, 2020, contract start date.

The Florida Endowment for Vocational Rehabilitation, Inc., dba The Able Trust - The purpose of this audit was to ensure The Able Trust's administrative costs were kept to the minimum amount necessary for the efficient and effective administration of the foundation and were limited to 15 percent of total estimated expenditures in accordance with section 413.615(9)(j), Florida Statutes.

Recommendation: In order to streamline section 413.615(9)(j), Florida Statutes language with The Able Trust's operations, we recommended the Division of Vocational Rehabilitation propose changing the statute language from calendar year to fiscal year and from estimated expenditures to actual expenditures.

Status: HB 901 was passed by the legislature, and is awaiting the Governor's signature, that updates the recommended language from calendar year to fiscal year and estimated to actual expenditures.

Recommendation: We recommended The Able Trust enhance its procedures to ensure accurate calculation of administrative costs and maintain efficient and effective administration, pursuant to 413.615(9)(j), Florida Statutes. We also recommended The Able Trust ensure administrative costs are only paid from private sources and up to 75% of interest and earnings on the endowment principal for FY 2018-2019 in accordance with the Florida Statutes.

Status: Throughout FY 2019-20, monthly financial reports were reviewed to assess and adjust admin fees ratio. Budget for next fiscal year has been reformatted to make it easier to clearly identify and assess restricted expenditures and calculate ratios. The new format will launch July 1, 2020, with the start of next fiscal year. Analysis of financials for fiscal years 2010-2011 to present was completed and used to evaluate baselines and trends across accounts. As stated above, the proposed budget for fiscal year July 1, 2020, to June 30, 2021, has been reformatted to make it easier to quickly identify, evaluate, and adjust restricted expenditures and administrative ratio. The Budget Proposal is pending final review and approval by the Board and DVR. The new format will go into use July 1, 2020.

AUDIT RESPONSE COORDINATION AND FOLLOW-UP

The Office of Inspector General 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 2019-2020 fiscal year, we coordinated the following external projects and follow-ups:



Office of the Auditor General

REPORT NUMBER	REPORT TITLE
2019-186	SIX MONTH STATUS: COMPLIANCE AND INTERNAL CONTROLS OVER FINANCIAL REPORTING AND FEDERAL AWARDS
2020-170	COMPLIANCE AND INTERNAL CONTROLS OVER FINANCIAL REPORTING AND FEDERAL AWARDS

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 Office of Inspector General 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 2020-21 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. During the 2020-21 fiscal year, audit resources will be allocated to the following engagements:

2020-21 Audit Plan

DIVISION	PROJECT
PUBLIC SCHOOLS	EDUCATOR CERTIFICATION – CARRYOVER
PUBLIC SCHOOLS	CERTIFICATE DATABASE – CARRYOVER
DIVISION OF BLIND SERVICES	INDEPENDENT LIVING ADULT OLDER BLIND PROGRAM - CARRYOVER
TECHNOLOGY AND INNOVATION	CONTRACTS
CAREER AND ADULT EDUCATION	APPRENTICESHIP SERVICES
PUBLIC SCHOOLS	FAMILY CAFE
TECHNOLOGY AND INNOVATION	APPLICATION DEVELOPMENT AND SUPPORT
PUBLIC SCHOOLS	GRANTS MANAGEMENT – BUREAU OF EXCEPTIONAL EDUCATION AND STUDENT SERVICES
DIVISION OF BLIND SERVICES	CONTRACT MANAGEMENT
VOCATIONAL REHABILITATION	ADULTS WITH DISABILITIES
VOCATIONAL REHABILITATION	CIL IN CENTRAL FLORIDA - CARRYOVER
VOCATIONAL REHABILITATION	FEE FOR SERVICE PROVIDER
VOCATIONAL REHABILITATION	TRANSITIONAL PROGRAMS
VOCATIONAL REHABILITATION	JOBS FOR FLORIDA’S GRADUATES CONTRACT
CHIEF INSPECTOR GENERAL	ENTERPRISE PROJECT

INVESTIGATIONS

Section 20.055(7), Florida Statutes, requires each Office of Inspector General (OIG) to initiate, conduct, supervise, and coordinate investigations designed to deter, detect, prevent, and eradicate fraud, waste, abuse or employee misconduct impacting the department. 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.

The investigations 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, the 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, as required by statute. 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 qualitative 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 2019-20 fiscal year, the OIG received 470 complaints from the public and other entities, referred 106 complaints to management, initiated five investigations, completed four investigations, coordinated or requested investigations for 68 complaints, and made 10 referrals to criminal agencies. The OIG processed 693 applicants' background checks, conducted 26 background check reviews, and completed 13 public record requests.

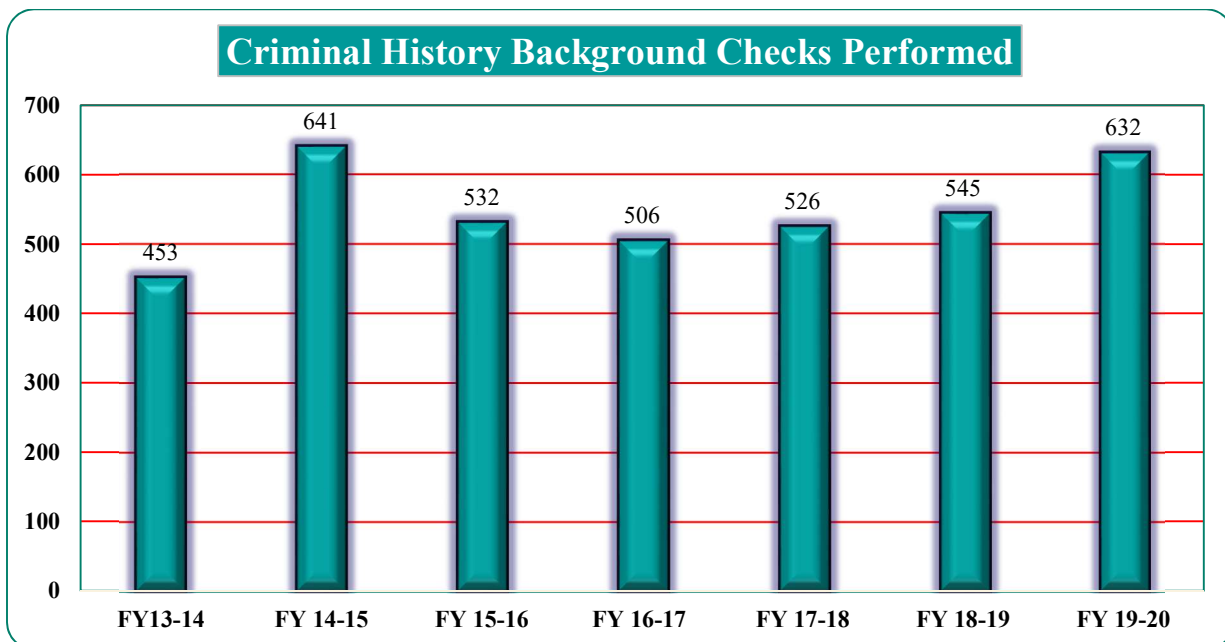
ACCREDITATION

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 (CFLA) expanded its program to include inspector general offices. In February 2014, the full CFLA voted unanimously to award the certificate of accreditation to the Florida Department of Education (FLDOE) Office of Inspector General (OIG). In February 2017, the full CFLA voted unanimously to award the certificate of re-accreditation to the FLDOE OIG. On November 6, 2019, state assessors completed the required re-accreditation review and determined the OIG is compliant with all CFLA standards. In February 2020, the full CFLA again voted unanimously to award the certificate of re-accreditation to the FLDOE Office of Inspector General. The re-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 II screening as a condition of employment. The Office of Inspector General (OIG) is responsible for processing the results of the level II screenings for each applicant. During the 2019-20 fiscal year, the OIG analyst conducted 632 applicant background checks and conducted 26 background check reviews. The chart below depicts the number of background checks performed for each fiscal year from 2013-14 to 2019-20.



COMPLETED INVESTIGATIONS

During the prior fiscal year, the OIG investigated allegations of misappropriation of funds, fraud, employee misconduct, nepotism, and one Whistle-blower investigation involving misuse of public funds and professional misconduct. A synopsis of those investigations is provided below.

- The OIG received a complaint from the Division of Vocational Rehabilitation (DVR) Bureau Chief of Vendor & Contracted Services who reported that DVR contract monitors uncovered information that indicated a DVR Employment Services Provider (provider) may be involved in fraudulent activity. DVR temporarily suspended the provider due to the consumer complaints. The complaint included allegations that the provider shared personal information of clients and employees with co-workers, the provider fraudulently obtained benchmark payments from DVR, and two DVR counselors participated in fraudulent acts and practices with the DVR provider. Based on sworn testimony received during the investigation, documents reviewed, and the absence of evidence and testimony from the consumer complainants, the allegations that the provider shared personal information with co-workers, the provider fraudulently obtain payments from DVR, and that two VR counselors participated in fraudulent acts and practices with the provider were Not Substantiated. The OIG recommended DVR counselors attempt to obtain pay stubs from employers to confirm a client has achieved employment benchmarks. If pay stubs cannot be obtained, then the OIG recommended the counselors confirm employment benchmarks with clients as well as their employer. Obtaining confirmation from both parties could mitigate the potential for fraudulent or mistaken benchmark payments. The OIG recommended VR lift the suspension of the provider and allow client referrals and services to resume.
- The OIG received information from a department security contract employee that alleged misconduct, nepotism, and security protocol violations by a department employee in the General Services Bureau. The OIG also received an additional complaint accusing the General Services employee of violating nepotism laws, security breaches, racism, and discrimination. The second complaint also alleged the General Services Bureau Chief violated safety practices or procedures. Shortly after the OIG received the complaints, five contracted security officers submitted a joint letter of resignation to the commissioner, reporting they were resigning due to an alleged hostile work environment created by the General Services employee. During the investigation, an allegation of a potential conflict of interest arose accusing the subject, a General Services employee charged with managing the security contract, of seeking employment with the security contractor in another state. The General Services employee resigned after the OIG initiated its investigation. The investigation revealed the General Services employee was supervising a sibling and, as the security contract manager, sought employment with the security contractor in another state. The OIG Substantiated the allegations of nepotism and a conflict of interest. The OIG further determined that the employee's supervisor, the General Services Bureau Chief, was aware of the employee's conflict of interest and failed to recognize the inappropriate conduct and take appropriate action. The General

Services Bureau Chief resigned following the investigation. The allegations of a hostile work environment and discrimination against department employees and contracted security officers based on race and disability were Not Substantiated. The person provided as a witness that would corroborate a discriminatory statement ultimately refuted the alleged comments disparaging an employee with a disability. Finally, the allegations that the employee and Bureau Chief violated the safety practices or procedures was Not Substantiated. The OIG recommended department management reiterate the importance of adhering to ethical standards for public employees to all Bureau of General Services' employees. The OIG further recommended that department management take any action deemed appropriate regarding the failure of the Bureau Chief to address the supervisor's conflict of interest and organizational structure conflicts and include a copy of this investigative report in his personnel file. The OIG recommended the Bureau of Human Resources review and possibly update the relative reporting procedures to ensure future compliance with the form and approval process.

- The OIG received two complaints from the Division of Blind Services (DBS) regarding a DBS consultant's and a DBS vendor's alleged misconduct. The OIG was advised both the DBS consultant and the DBS vendor submitted complaints against the other over alleged unprofessional conduct during a site visit at the vendor's place of business. Specifically, the DBS consultant alleged the vendor was rude, confrontational, and aggressive, and the vendor alleged the DBS consultant was harassing, biased, and aggressive. Based on testimony received and evidence reviewed by the OIG, there was Insufficient Evidence to Substantiate the allegation that the DBS vendor was rude, confrontational, and aggressive towards the DBS consultant. The allegation that the DBS consultant was harassing, biased, and aggressive towards the DBS vendor was Not Substantiated.
- The OIG received online complaints that accused a Division of Vocational Rehabilitation (DVR) contractor's Executive Director (Director) of professional misconduct related to his interaction with contractor employees. The complainants also alleged the Director misused public funds and used contractor resources for personal benefit. The complainants met the criteria for Whistle-blower (WB) status under Section 112.3187-112.31895, Florida Statutes, and the OIG deemed each complainant a WB. All three allegations were substantiated, and the Director was terminated by the contractor. The OIG recommended the contractor take appropriate personnel action regarding the Executive Director including ensuring the Director reimburses the contractor for all personal expenses owed and returns all contractor-owned devices and equipment. The OIG recommended the contractor complete the ongoing update of Personnel Policies and the Accounting Policies and Procedures Manual and provide training to staff as necessary for compliance. The OIG further recommended that DVR monitor the contractor and the contracts of all subcontractors to ensure that the contractor completes a comprehensive inventory of all assistive technology devices in the Lending Library.



OTHER INVESTIGATIVE ACTIVITIES

- The OIG received a complaint from the Office of Independent Education and Parental Choice with allegations that a provider participating in the Gardiner Scholarship Program may have fraudulently obtained Gardiner Scholarship funds for students not entitled to the scholarships. This program is used to meet the special needs of disabled students. The provider allegedly falsely certified that students met the requirements for full-time tutoring services in the Gardiner program and improperly received Gardiner funds in 2015-16 and 2016-17. The OIG's review discovered that the provider submitted scholarship applications on behalf of students that appeared to contain fraudulent, falsified documentation stating that the students had a disability. As required by Section 20.055 Florida Statutes, the OIG referred this matter to the Florida Department of Law Enforcement (FDLE) for consideration of a criminal investigation. FDLE accepted the case and their investigation determined the provider fraudulently obtained over \$500,000 in Gardiner funds. On July 2, 2019, FDLE arrested the provider (owner) on charges of Grand Theft and Organized Scheme to Defraud, and the provider is currently awaiting adjudication by the Broward County State Attorney's Special Prosecutions Unit.
- In April 2016, the OIG received information from a citizen with allegations that a provider was fraudulently receiving Florida Tax Credit (FTC) subsidies through the Florida Tax Credit Scholarship Program for low-income, full-time students. The initial review uncovered evidence that the provider received the FTC funds for students not actually enrolled at the school. As required by Section 20.055 Florida Statutes, the OIG referred this matter to the Florida Department of Law Enforcement (FDLE) for consideration of a criminal investigation. FDLE accepted the case and their investigation determined that the provider fraudulently obtained \$63,056.26 in FTC funds. In February 2017, FDLE arrested the provider in Broward County for one count of Grand Theft. In June 2017, the OIG received information from FDLE that another provider may be using a similar scheme to defraud the FTC program. FDLE requested that the OIG do an exhaustive search to identify any schools associated with this new person of interest. Upon completing its review, the OIG provided all requested information back to FDLE to use in their criminal investigation. On August 1, 2019, FDLE arrested the provider for one count of Grand Theft and one count of Organized Scheme to Defraud.
- The OIG received a complaint from a Florida Bureau of Business Enterprise (BBE) vendor alleging favoritism and an unfair bidding process within the Division of Blind Services (DBS). Specifically, the vendor alleged a DBS District Vendor Representative influenced the vendor bidding process in favor of BBE vendors personally related to the representative and alleged unfair district administrative appointment practices by DBS. The OIG review found that DBS followed the proper procedures and policies set in place for establishing and maintaining a statewide selection panel and for administrative appointments. The investigation further revealed DBS does not allow individuals appointed on the Committee of Vendors as a representative to serve on the selection panel due to potential conflicts of interest. The OIG confirmed the District

Representative was related to other district vendors; however, there was no evidence provided to show that the District Representative was on a selection panel or had any influence in the district bidding process. Based on testimony, documents reviewed, and DBS policies and procedures, the allegations were Not Substantiated.

- The OIG received a complaint from a private citizen wherein they expressed concerns regarding a Florida school district. The complainant detailed the school district awarded fraudulent contracts for facilities and services to the same local companies at a cost two to three times higher than normal. After thoroughly reviewing documentation related to the contract and conducting interviews, the OIG determined that the allegation the district awarded fraudulent contracts for facilities and services was Not Substantiated. The review determined the complainant did not take into account the various other parts of the project and the costs associated with those projects, and there was no evidence of fraud, waste, or financial mismanagement.

WHISTLE-BLOWER DETERMINATIONS

The investigations section completed three whistle-blower determinations during Fiscal Year 2019-20. After assessing the complaints, the OIG determined that the allegations for two complaints did not demonstrate reasonable cause to suspect that the department or independent contractor violated any federal, state, or local law, rule, or regulation. Two complaints were referred to the appropriate entity for action deemed appropriate. The third determination met the criteria and the OIG completed one whistle-blower investigation during this fiscal year.

OTHER OIG ACTIVITIES

On May 8, 2008, the department initiated Policy Code Number 18, Employment Screening; requiring that all employees, applicants, contractors, and volunteers undergo a level II criminal background check as a condition of employment. At that time, the OIG assisted department management in the development and administration of this new policy and established detailed procedures to implement the policy. As part of the background screening program within the OIG, the investigations team was required to complete and maintain the Federal Bureau of Investigation (FBI) Criminal Justice Information Services Security (CJIS) training. The background review process requires the OIG to contact state and local law enforcement agencies throughout Florida and the United States, to obtain, verify, and disseminate documented criminal history information for applicants and department volunteers. The screening process requires all applicants to disclose any disqualifying offences of first-degree misdemeanors or felonies, as required on their state of Florida application and Affidavit of Good Moral Character. The OIG reviews, validates, and compares any criminal histories against the applicant's submitted information. If the information is found to be in conflict with the application and/or notarized Affidavit of Good Moral Character, an investigative review of the criminal history data and

applicant data will be completed by the OIG and provided to personnel for review prior to making a hiring decision. Since the programs' inception, the OIG has completed a total of 7,936 background checks and produced 323 background reviews on applicants whose criminal records indicated they failed to disclose the required criminal information. In the last twelve years, this program has averaged 661 background screenings per fiscal year and continues to be a valuable tool in providing management with detailed information on each applicant or volunteer during the hiring process.

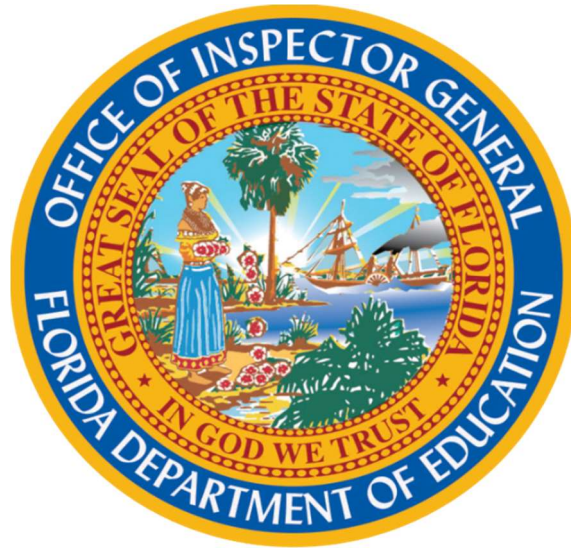
NEW EMPLOYEE ORIENTATION AND OIG OUTREACH

During the department's New Employee Orientation sessions, the OIG presents an overview of the OIG office, staff, and investigative activities to provide new employees with a basic



understanding of the OIG office, our functions, responsibilities, and how each employee plays an important role in the identification and prevention of fraud, waste, and abuse in department programs. We explain the Florida Whistle-blower Act and how it applies to department employees. Our overview includes real case examples and scenarios of previous investigations and identifies areas where each employee can be a valuable resource in preventing and identifying questionable activity. We discuss the department's Ethics Policy, Integrity in Government, relevant Florida Statutes, and the many Florida Administrative Codes related to the conduct of state employees and their duty in safeguarding education dollars as new stewards for the Florida Department of Education.

Additionally, the OIG (Investigations and Audit) provided a joint fraud and awareness briefing to the Division of Vocational Rehabilitation. The briefing was held during their annual training, and the OIG detailed the unique areas of vulnerabilities in DVR programs and provided examples of previous investigations, audits, or inquiries handled by the OIG. This outreach is essential to explaining how we all play key roles in the fight against fraud, waste, and abuse in state government.



Florida Department of Education
Office of Inspector General
325 West Gaines Street, Suite 1201
Tallahassee, Florida 32399-0400

Phone: 850-245-0403

Fax: 850-245-9419

Email

oig@fldoe.org

Web Site

<http://www.fldoe.org/ig/>