



Department of Education Office of Inspector General

ANNUAL REPORT

Fiscal Year 2025-2026



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 toward the following goals: highest student achievement, seamless articulation and maximum access, skilled workforce and economic development, and quality efficient services. 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 an 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 of Education 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;
- Reviewing and evaluating internal controls necessary to ensure the fiscal accountability of the department;
- Keeping the Commissioner of Education 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 16 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 levels of 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 Inspector General Auditor (CIGA)
- Certified Information Systems Auditor (CISA)
- Certified in the Governance of Enterprise IT (CGEIT)
- Certified Inspector General Investigator (CIGI)
- Certified Fraud Examiner (CFE)
- Notary Public
- Commission for Florida Law Enforcement Accreditation Assessor



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)
- Tallahassee Chapter of the Association of Inspectors General (TCAIG)
- National White Collar Crime Center (NW3C)
- Association of Government Accountants (AGA)
- Association of Certified Fraud Examiners (ACFE)
- ISACA



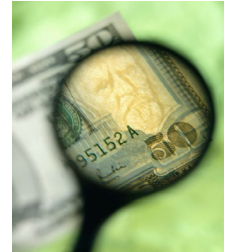
MAJOR ACTIVITIES AND FUNCTIONS

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:

- 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 corrective actions in response to audit reports issued by the department's inspector general, the 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 in accordance with the current generally accepted *Government Auditing Standards*, published by the United States Government Accountability Office by the Comptroller General of the United States (*GAO Yellow Book*). Additionally, where appropriate, the Office of Inspector General complies with the *General Principles and Standards for Offices of Inspector General* as published and revised by the Association of Inspectors General. 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 twenty-three engagements during the 2025-2026 fiscal year, which can be viewed online at <https://www.fldoe.org/about-us/office-of-the-inspector-general/audit-reporting-products.shtml>. The results of those engagements are summarized below:

Review of Foreign Influence - The OIG conducted a review of foreign gifts and foreign gift agreements reported by institutions of higher education (IHEs) to the State Board of Education. Section 1010.25, Florida Statutes (F.S.), requires the Inspector General of the Department of Education (DOE) to annually inspect or audit at least five percent of the total number of foreign-source gifts disclosed by, or gift agreements received from, IHEs during the previous year. The purpose of this audit was to determine the level of compliance with statutory reporting requirements related to foreign gifts and gift agreements reported during the 2024–2025 disclosure period. The audit included an assessment of both timeliness of reporting and completeness of required documentation. Overall, 13 institutions reported a total of 227 foreign gifts with a combined value of \$101,921,870.02. Our review determined that six of the thirteen IHEs that filed at least one gift disclosure during the review period submitted their disclosures in a timely manner. We identified six institutions that did not report certain gifts within the statutory deadlines based on the dates the IHEs received the gifts. One IHE was excluded from review because its reported gift did not meet the statutory reporting threshold. We reviewed a sample of thirteen gift disclosures submitted by twelve IHEs with qualifying gift submissions. Six disclosures fully complied with statutory requirements at the time of initial submission, six disclosures did not fully comply due to missing or incomplete gift agreement documentation, and one sampled disclosure was later determined to be non-reportable. Of the six non-compliant disclosures, four IHEs subsequently provided sufficient documentation to achieve full compliance, while two remained partially compliant because they did not submit a gift agreement that met all statutory requirements.

Audit Results:

We reviewed all 227 foreign gift disclosures to determine whether the disclosures were reported in compliance with Section 1010.25(2), Florida Statutes, which requires institutions of higher education (IHEs) to submit semiannual reports to the State Board of Education listing all foreign-source gifts received directly or indirectly with a value of \$50,000 or more. Gifts received between July 1 and December 31 must be reported by January 31, and gifts received between January 1 and June 30 must be reported by July 31. If a foreign source provides more than one gift to an IHE in a fiscal year and the cumulative value equals or exceeds \$50,000, all such gifts must be reported. Overall, most gift disclosures complied with the statutory reporting deadlines; however, six of the thirteen institutions submitted at least one disclosure after the applicable deadline. In total, IHEs reported 24 of the 227 disclosures after the statutory deadlines, primarily due to omissions from original submissions, misinterpretation of reporting requirements, and weaknesses in internal processes.

We reviewed 13 of the 227 (5.73%) foreign gifts and associated gift agreements to determine whether the submissions complied with applicable statutory requirements. To ensure appropriate institutional coverage, the sample included at least one qualifying item from each reporting

institution, where available. Indian River State College was excluded from selection because its sole reported gift (\$5,000) did not meet the statutory reporting threshold. Additionally, two items were selected from the University of Miami due to its higher volume of disclosures. Of the thirteen items included in the sample, six were fully compliant at the time of initial submission.

Our review of the remaining disclosures identified deficiencies related to missing or incomplete documentation. These deficiencies included failure to submit a gift agreement with the initial disclosure, absence of required signatures from the foreign source or institutional designee, incomplete identification of beneficiaries, or omission of required reporting elements such as the date the gift was received.

Overall, six of the thirteen sampled disclosures were not fully compliant at the time of initial submission. Of these, the applicable IHEs corrected four disclosures during the audit, while two remained partially compliant due to the absence of properly executed gift agreements. The IHEs generally attributed the partial compliance to reliance on alternative forms of documentation or differing interpretations of statutory requirements in instances where formal agreements had not been executed.

Enterprise Cybersecurity Audit for Data Protection and Security - The OIG completed an Enterprise Cybersecurity Audit for Data Protection and Security. This report has been classified as confidential in accordance with Section 282.318(4)(g), F.S., and is therefore not available for public distribution. Copies of the report should be delivered only to individuals appropriate to the activity reviewed. All individuals wishing to view or obtain the results of this report must submit a written request to the OIG, including contact information and a detailed explanation of the reason for the request.

Evolving Lives, Inc. - 6 Month Status - The OIG followed-up on the status of corrective actions required in response to findings and recommendations in report #A-2425DOE-009, Evolving Lives, Inc. Division of Vocational Rehabilitation (DVR) management indicated corrective action has been initiated or completed for each of their reported deficiencies. Evolving Lives, Inc. management indicated corrective action has been initiated for each of their reported deficiencies.

CPALMS Grant - The OIG conducted an audit of the CPALMS (Collaborate, Plan, Align, Learn, Motivate, Share) Maintenance and Enhancement Grant and associated Memorandum of Agreement (MOA) between the Florida Department of Education (FDOE) and Florida State University (FSU).

During this audit, we noted that, in general, FSU provided services in compliance with the grant and MOA, and FSU and FDOE have sufficient controls in place. However, we identified instances where improvements should be made to strengthen some of these controls. Specifically, we identified grant funds expended on services that occurred outside the approved grant agreement period and unexpended funds that were not reverted and reallocated in accordance with statutory requirements. We also noted that the Bureau of Standards and Instructional Support (BSIS) grant manager did not reconcile grant funds in accordance with statutory requirements.

We recommended BSIS:

- ensure grant funds are expended only for obligations incurred within the approved agreement period and that any unobligated or excess funds are refunded to the state agency in accordance with Section 215.971(1)(d)–(f), F.S. We further recommended that any future grant amendments are executed in compliance with Green Book requirements; and
- reconcile and verify all funds received against all funds expended during the grant agreement period and produce a final reconciliation report in accordance with statutory requirements.

We recommended FSU:

- ensure grant funds are expended only for obligations incurred within the approved agreement period and that any unobligated or excess funds are refunded to the state agency in accordance with Section 215.971(1)(d)–(f), F.S. We further recommended that any future grant amendments are executed in compliance with Green Book requirements.

Abilities, Inc. of Florida – 12 Month Status - The OIG followed-up on the status of corrective actions required in response to findings and recommendations in report #A-2324DOE-007, Abilities, Inc. of Florida. Abilities, Inc. of Florida management indicated corrective action has been initiated for each of their reported deficiencies. DVR management indicated corrective action has been initiated or completed for each of their reported deficiencies.

Center for Independent Living of North Florida - Ability 1st – 18 Month Status - The OIG followed-up on the status of corrective actions required in response to findings and recommendations in report #A-2324DOE-006, Center for Independent Living of North Florida - Ability 1st (CIL). CIL management indicated corrective action has been initiated for each of their reported deficiencies.

Florida Center for the Blind, Inc. – 18 Month Status - The OIG followed-up on the status of corrective actions required in response to findings and recommendations in report #A-2223DOE-018, Florida Center for the Blind, Inc. (FCB). DBS management indicated corrective action has been initiated for each of their reported deficiencies.

Enterprise Audit of Cybersecurity Controls for Identity and Access Management – 30 Month Status - The OIG followed-up on the status of corrective actions required in response to findings and recommendations in report #A-2223DOE-012, Enterprise Audit of Cybersecurity Controls for Identity and Access Management. As the audit report was deemed classified and confidential in accordance with section 282.318(4)(g), F.S., the results are therefore not available for public distribution. Copies of the results should be delivered only to individuals appropriate to the activity reviewed. All individuals wishing to view or obtain the results must submit a written request to the OIG, including contact information and a detailed explanation of the reason for the request.

Enterprise Risk Based Compliance Audit of Contracts – 6 Month Status - The OIG followed up on the status of corrective actions required in response to findings and recommendations in report #A-2425DOE-003, Enterprise Risk Based Compliance Audit of Contracts. Bureau of Contracts, Grants, and Procurement Management Services management indicated corrective action has been initiated for each of their reported deficiencies, and Division of Early Learning (DEL) management indicated corrective action has been completed for each of their reported deficiencies.

Enterprise Audit of Cybersecurity Controls for Information System Asset Management – 6 Month Status - The OIG followed up on the status of corrective actions required in response to findings and recommendations in report #A-2425DOE-002, Enterprise Audit of Cybersecurity Controls for Information System Asset Management. As the audit report was deemed classified and confidential in accordance with section 282.318(4)(g), F.S., this status report is therefore not available for public distribution. Copies of the status report should be delivered only to individuals appropriate to the activity reviewed. All individuals wishing to view or obtain the results of this status report must submit a written request to the OIG, including contact information and a detailed explanation of the reason for the request.

Teachstone, Inc. – 12 Month Status - The OIG followed-up on the status of corrective actions required in response to findings and recommendations in report #A-2324DOE-012, Teachstone, Inc. DEL management indicated corrective action has been completed for each of their reported deficiencies.

Perkins Grant - The OIG conducted an audit of the Division of Career and Adult Education's (DCAE) management of the Perkins V grant, as established under the Strengthening Career and Technical Education for the 21st Century Act (SCATE), an amendment to the Carl D. Perkins Career and Technical Education Act of 2006. During this audit, we noted that DCAE is generally meeting the requirements of the Perkins V grant and is providing reasonable assurance of compliance with applicable policies and procedures as well as state and federal laws.

Audit Results:

After a thorough review of the monitoring activities and financial management related to the Perkins grant, we determined that DCAE's policies and procedures provide reasonable assurance of compliance with applicable state and federal laws, and we found no material instances of noncompliance during the period reviewed.

Review of the Office of Professional Practices Services Data Exchange MOU with DHSMV
The OIG conducted a consulting engagement that involved reviewing the data exchange memorandum of understanding (MOU) between the department's Office of Professional Practices Services (PPS) and the Department of Highway Safety and Motor Vehicles (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. All deficiencies noted were corrected during the course of the review.

Palm Beach Habilitation Center, Inc. – 18 Month Status - The OIG followed-up on the status of corrective actions required in response to findings and recommendations in report #A-2223DOE-013, Palm Beach Habilitation Center, Inc. (PBHC). DVR and PBHC management indicated corrective action has been initiated for each of their reported deficiencies.

J Morrow Ticket Tracker – 6 Month Status - The OIG followed-up on the status of corrective actions required in response to findings and recommendations in report #A-2324DOE-002, J Morrow Ticket Tracker. As the audit report was deemed classified and confidential in accordance with section 282.318(4)(g), F.S., this status report is therefore not available for public distribution. Copies of the status report should be delivered only to individuals appropriate to the activity reviewed. All individuals wishing to view or obtain the results of this status report must submit a written request to the OIG, including contact information and a detailed explanation of the reason for the request.

Center for Independent Living of North Florida - Ability 1st – 12 Month Status - The OIG followed-up on the status of corrective actions required in response to findings and recommendations in report #A-2324DOE-006, Center for Independent Living of North Florida - Ability 1st (CIL). DVR management indicated corrective action has been completed for each of their reported deficiencies, and CIL management indicated corrective action has been initiated for each of their reported deficiencies.

Evolving Lives, Inc. - The OIG conducted an audit of the fee-for-service agreement between the Division of Vocational Rehabilitation (DVR) and Evolving Lives, Inc. (Evolving Lives). The purpose of this audit was to determine if the internal controls in place at Evolving Lives and DVR ensure effective delivery of program services to individuals with disabilities and determine if DVR effectively manages and monitors the agreement for compliance. During this audit, we noted that, in general, DVR and Evolving Lives have sufficient controls in place. However, we identified instances where Evolving Lives provided substantial Supported Employment (SE) services with employees that did not possess the requisite credentials; Evolving Lives submitted invoices for service authorizations in the Aware case management system (Aware) that did not include documentation of all required elements and DVR approved the invoices for payment; and DVR failed to effectively monitor Evolving Lives in compliance with the Provider Monitoring Guidebook.

We recommended DVR:

- ensure that provider employees providing SE services have the proper certifications prior to approving and paying for those services, either through enhanced system controls or enhanced manual reviews;
- provide clarification in the Programmatic Operations Resource Guide Handbook (PORGH) to ensure consistency with the certification requirements listed in the Vendor Registration Qualification Manual and the directives in the Employment Services Provider and Employment Specialist applications;
- review and clarify the PORGH language regarding invoice date submission and monthly progress report documentation;

- ensure invoices and supporting documentation are complete and timely prior to approving the invoices for payment;
- conduct monitoring in accordance with the risk assessment and monitoring plan; and
- promptly provide the monitoring results in writing with any recommendations for improvement to Evolving Lives and ensure they complete corrective action on any noted deficiencies.

We recommended Evolving Lives, Inc.:

- ensure that a properly certified employee provides all SE services in accordance with the Vendor Registration Qualification Manual and the directives in both their signed Employment Services Provider and Employment Specialist applications; and
- enhance its internal procedures to ensure all required information and supporting documentation is maintained and provided to DVR with the submitted invoices.

Florida Center for the Blind, Inc. – 12 Month Status - The OIG followed-up on the status of corrective actions required in response to findings and recommendations in report #A-2223DOE-018, Florida Center for the Blind, Inc. (FCB). DBS management indicated corrective action has been initiated for each of their reported deficiencies.

Abilities, Inc. of Florida – 6 Month Status - The OIG followed-up on the status of corrective actions required in response to findings and recommendations in report #A-2324DOE-007, Abilities, Inc. of Florida. DVR and Abilities, Inc. of Florida management indicated corrective action has been initiated or completed for each of their reported deficiencies.

Enterprise Audit of Cybersecurity Controls for Identity and Access Management – 24 Month Status - The OIG followed-up on the status of corrective actions required in response to findings and recommendations in report #A-2223DOE-012, Enterprise Audit of Cybersecurity Controls for Identity and Access Management. As the audit report was deemed classified and confidential in accordance with section 282.318(4)(g), F.S., this status report is therefore not available for public distribution. Copies of the status report should be delivered only to individuals appropriate to the activity reviewed. All individuals wishing to view or obtain the results of this status report must submit a written request to the OIG, including contact information and a detailed explanation of the reason for the request.

Internal Control and Data Security Audit - The Office of Inspector General conducted an Internal Control and Data Security Audit that involved reviewing the data exchange memorandum of understanding (MOU) between the department's School Transportation Management Section and the Department of Highway Safety and Motor Vehicles (DHSMV). Through our review of controls, policies, and processes, we have determined that the School Transportation Management Section and the FDOE Division of Technology and Innovation (DTI) generally operated in compliance with the terms set forth by the data exchange MOU. Any deficiencies noted through the audit were corrected during the course of the audit.

Teachstone, Inc. – 6 Month Status - The OIG followed-up on the status of corrective actions required in response to findings and recommendations in report #A-2324DOE-012, Teachstone, OIG

Inc. DEL management indicated corrective action has been initiated or completed for each of their reported deficiencies. Teachstone, Inc. management indicated corrective action has been completed for each of their reported deficiencies.

Enterprise Risk Based Compliance Audit of Contracts - The OIG conducted an audit of the DOE contract procurement procedures. This audit satisfies the requirements of House Bill 1079, passed during the 2021 Legislative Session, which amended section 287.136, F.S., to require a periodic risk-based compliance audit of all contracts executed by a state agency to identify any trends in vendor preferences. During this audit we noted in general that the Department of Education's Division of Early Learning (DEL), and the Bureau of Contracts, Grants, and Procurement Management Services have sufficient controls in place, and we identified no trends in vendor preference during the review period. However, we noted instances where some controls should be strengthened. For example, when reviewing the compliance with Florida Statute 215.985(14)(a), we noted that DOE failed to enter all statutorily required information into the Florida Accountability Contract Tracking System (FACTS) within statutory timeframes for 17 of 60 sampled contracts.

We recommended Bureau of Contracts, Grants, and Procurement Management Services and DEL enter all required contract information into FACTS in accordance with statutory requirements.

REVIEW OF PERFORMANCE MEASURES

Section 20.055, F.S., requires the OIG 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)(4), F.S., 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, 2026.

Palm Beach Habilitation Center, Inc. (PBHC) - The purpose of this audit was to determine if the PBHC has sufficient internal controls to provide services to adults with disabilities in compliance with grant terms and ensure DVR is effectively monitoring the grant.

Recommendation: We recommend DVR conduct monitoring in accordance with the risk assessment and monitoring plan. Should DVR identify any deficiencies through its monitoring efforts, we recommend DVR promptly provide the monitoring results and recommendations for improvement to PBHC and ensure they complete corrective action on noted deficiencies. We recommend DVR include a review of expenditures incurred and the supporting documentation as part of their monitoring efforts to ensure expenditures are supported, allowable, allocable, reasonable, and necessary to the performance of the grant and align with the approved budget.

We also recommend that DVR reconcile and verify all funds received against all funds expended in accordance with statutory requirements.

Status: The DVR contract manager continues to provide effective oversight through quarterly invoice reviews. Due to the late execution of the 2024-25 project/grant, the grantee's monitoring was rescheduled. The contract manager will review Quarters 1 and 3 of the 2024-25 fiscal year to verify compliance of program requirements. A monitoring report detailing observations and findings, if applicable, will be drafted after a review of the requested documentation is conducted. If there are any major findings of noncompliance, the grantee will be required to complete a Corrective Action Plan. The reported anticipated completion date was ongoing through December 31, 2025.

Recommendation: We recommend DVR include a review of the Adult Individual Education Plans (AIEPs) in their monitoring activities to ensure consistency and compliance with the grant terms and its performance measures and make the appropriate adjustments to performance funding when benchmarks are not achieved.

Status: The DVR contract manager continues to review program documentation submitted by PBHC, which includes quarterly project invoices, Return on Investment (ROI) reports, Demographic Information reports, and documentation supporting the progress of participants. Due to the late execution of the grant/project for PBHC, the scheduled monitoring for Quarters 1 and 3 was rescheduled. The anticipated completion date is ongoing through December 31, 2025.

Recommendation: We recommend that DVR inspect, approve, and pay invoices in accordance with statutory requirements, and DVR should ensure that appropriate evidence is retained to demonstrate compliance.

Status: DVR continues to retain evidence of invoice submission dates and when the invoice is submitted to DVR's Financial Payments office. The contract manager continues to maintain a tracking sheet with all relevant submission dates and stamps or notates the invoices when received. The reported anticipated completion date was on-going through December 31, 2025.

Recommendation: We recommend DVR include a review of service provider background screenings as part of their monitoring efforts to ensure they are being conducted in accordance with statutory requirements.

Status: DVR has created a new Background Screening form for grantees and special contracts. The contract manager will request that PBHC complete that form and submit it to DVR's background screening unit for verification. The background screening unit will instruct PBHC on the next steps for the Clearinghouse Results Website to ensure compliance. The reported anticipated completion date was ongoing through December 31, 2025.

Recommendation: We recommend that PBHC ensure all benchmarks recorded in participant AIEPs are completed in accordance with grant terms. We further recommend that PBHC document and report progress towards benchmark achievement as outlined in the grant. If benchmark goals change through the course of the grant year, we recommend PBHC amend the

AIEP to correlate with the new goals and clearly report progress towards the amended goals in the quarterly invoices.

Status: In progress – The reported anticipated completion date was April 2025.

Recommendation: We recommend PBHC enhance its procedures to ensure expenses funded through DVR's grant are allowable and appropriately reflected by funding source in the general ledger and correlate to invoices submitted to DVR for payment for services rendered. We further recommend that PBHC retain employee timesheets and personnel activity reports, including a time worked allocation by funding source.

Status: In progress - The reported anticipated completion date was April 2025.

Recommendation: We recommend that PBHC submit invoices in accordance with grant terms and ensure that appropriate evidence is retained to demonstrate compliance.

Status: In progress - The reported anticipated completion date was April 2025. *Recommendation:* We recommend PBHC conduct all employee background screenings in accordance with statutory requirements.

Status: In progress - The reported anticipated completion date was April 2025.

Florida Center for the Blind, Inc. (FCB) - The purpose of this audit was to determine whether FCB met the requirements of the agreement with the Division of Blind Services (DBS), and whether DBS effectively monitored adherence to the agreement.

Recommendation: We recommend that DBS include a review of service deliverables in their monitoring activities to ensure compliance with the contract terms and its service deliverables and make appropriate adjustments to performance funding when service deliverables are not met. Finally, we encourage DBS and FCB to review the contract and consider making appropriate revisions to better align the contractual deliverables with the contractor's business model.

Status: Since the last update, DBS has increased its staff capacity and identified that we have processes and procedures in place that will allow us to effectively monitor community resource provider (CRP) contracts. As such, we have decided not to secure consulting services for this item. The Contract Manager Supervisor is updating files (monitoring tools and report templates) and is working on notifying CRPs that monitoring will resume this year. On-site monitoring will begin in May 2026. FCB is included in this year's cycle of on-site monitoring. We anticipate on-site monitoring for FCB will be completed by December 2026.

Recommendation: We recommend DBS include a review of expenditures as part of their monitoring efforts. Finally, we recommend that DBS maintain records to support a cost analysis, including the agency's documented review of individual cost elements from the submitted budget for allowability, reasonableness, and necessity.

Status: Since the last update, DBS has increased its staff capacity and hired a Contract Manager Supervisor. Additionally, we have identified internal processes and procedures already in place that will allow us to effectively monitor CRP contracts. As such, we have decided not to secure consulting services. In addition to updating monitoring tools and report templates, the Contract Manager Supervisor is assessing processes to identify improvement opportunities. On-site monitoring will begin in May 2026. FCB is included in this year's cycle of on-site monitoring. We anticipate on-site monitoring for FCB will be completed by December 2026.

Center for Independent Living of North Florida - Ability 1st - The purpose of this audit was to determine if the CIL'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.

Recommendation: We recommend the CIL establish and implement written internal policies to detail the steps and forms CIL staff should complete when conducting consumer assessments and eligibility determinations and establishing Independent Living Plans with the consumers.

Status: Ability 1st has continued to strengthen internal policies and procedures related to consumer eligibility determinations and Independent Living Plans. The organization has recently engaged a new accounting firm that is also providing support with contract management and assisting in the development and finalization of policies and procedures. Ability 1st has also undergone staffing changes and is actively cross training both existing and new staff to ensure continuity of operations and consistent implementation of updated processes. Draft policies have been developed and are currently being refined to ensure alignment with FDOE OIG recommendations and best practices. The organization is working toward final approval of these policies by the Board of Directors. Additionally, staff training protocols and documentation standards are being updated to ensure consistent implementation within the CIL Suite system. Upon approval, policies will be formally adopted, and comprehensive staff training will be conducted to support full compliance. The anticipated completion date is in progress, and the board did not have a quorum for last meeting to approve policies. The Board meets again in May 2026.

Abilities, Inc. of Florida - The purpose of this audit was to determine if Abilities, Inc.'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.

Recommendation: We recommend that DVR consider seeking reimbursement for the financial consequences associated with unachieved deliverables in the 2022-23 fiscal year and provide written communication to Abilities, Inc. of any financial consequence to be imposed. Should DVR approve deviations from the contractual requirements in future years, DVR should ensure those approvals are documented in the contract file. We further recommend that DVR adjust the deliverables in the Abilities, Inc. contract to more accurately reflect the current demand for services. Finally, we recommend DVR count the Pre-Employment Transition Services (Pre-ETS) referral deliverable at the time Abilities, Inc. makes the referral rather than waiting until the referred service is completed by a separate vendor.

Status: On July 1, 2025, Contract No. 26-146 was executed with new deliverables. The Bureau of Vendor and Contracted Services adjusted the deliverables to more accurately reflect the current demand for services. State of Florida VR Case Management system, Aware, has the ability to accurately report Abilities of Florida Team's monthly progress towards these deliverables. Pre-ETS reporting is now only based on time spent in the new contract and not referrals. An amendment has been processed for 26-146 that is in its final stages of routing for signature. This amendment No. 1 for 26-146 outlines Abilities of Florida to be responsible moving forward for all office supplies. It also includes language that clarifies the current process of Unit Supervisors reviewing cases before they are submitted to the DVR Counselor Analyst. The amendment also now includes expanded language from the Federal Guidelines for the allowable timeframes for Eligibility and IPE decisions (60 and 90 days) and notes the Federal Guidelines for successful closures to be Competitive Integrated Employment under the deliverables.

Recommendation: We recommend Abilities, Inc. ensure the change in employment status is reported to the Care Provider Background Screening Clearinghouse (CPBSC) within the timeframe required by statute.

Status: Regarding the finding that three terminated employees remained active on the roster, they have now been removed. As a result of the primary point of contact conducting a full review of the master roster and having compared it against internal termination records, all records are now accurate within the Clearinghouse system. During the audit period, the primary point of contact was on medical leave for approximately six weeks, which may have contributed to terminations being missed during that timeframe. For the finding related to four new hires, it was confirmed that they had already been removed in the appropriate timeframe from the Clearinghouse. To strengthen controls moving forward, current processes will remain in place with the addition of a weekly audit of terminations, during which an internal termination report will be run and compared against the CRW roster to ensure timely and accurate updates. Additionally, a secondary/backup contact has now been fully trained on CRW roster responsibilities and will serve as support during any absence of the primary contact for both terminations and new hire processing. These actions are intended to improve continuity, reduce the risk of future discrepancies, and ensure roster accuracy on an ongoing basis.

Recommendation: We recommend that DVR consider seeking reimbursement for the financial consequences associated with unachieved deliverables in the 2022-23 fiscal year and provide written communication to Abilities, Inc. of any financial consequence to be imposed. Should DVR approve deviations from the contractual requirements in future years, DVR should ensure those approvals are documented in the contract file. We further recommend that DVR adjust the deliverables in the Abilities, Inc. contract to more accurately reflect the current demand for services. Finally, we recommend DVR count the Pre-ETS referral deliverable at the time Abilities, Inc. makes the referral rather than waiting until the referred service is completed by a separate vendor.

Status: The current executed contract includes deliverables that accurately reflect the current demand for services. Since execution of the current contract, all contract deliverables have been

met; therefore, there has not been a need to issue a financial penalty. The DVR will continue to monitor via invoice submission and formal contract monitoring and issue financial penalties, as appropriate. The current executed contract requires the provider report all time spent on direct Pre-ETS services to the DVR. This provides the DVR with data for all Pre-ETS direct services, including time spent on the five services required in the federal regulations. All other data for Pre-ETS services are captured in the DVR's case management system, required for use by the provider via the contract.

Enterprise Audit of Cybersecurity Controls for Information System Asset Management -

The OIG followed-up on the status of corrective actions required in response to findings and recommendations in report # A-2425DOE-002, Enterprise Audit of Cybersecurity Controls for Information System Asset Management. As the audit report was deemed classified and confidential in accordance with section 282.318(4)(g), F.S., this status report is not available for public distribution. Copies of the status report should be delivered only to individuals appropriate to the activity reviewed. All individuals wishing to view or obtain the results of this status report must submit a written request to the OIG, including contact information and a detailed explanation of the reason for the request.

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, Office of Program Policy Analysis and Government Accountability (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 2025-2026 fiscal year, we coordinated the following external projects and follow-ups:



Office of the Auditor General

REPORT NUMBER	REPORT TITLE
2025-162	SIX MONTH STATUS: COMPLIANCE AND INTERNAL CONTROLS OVER FINANCIAL REPORTING AND FEDERAL AWARDS
2026-155	COORDINATION OF COMPLIANCE AND INTERNAL CONTROLS OVER FINANCIAL REPORTING AND FEDERAL AWARDS FOR THE FISCAL YEAR ENDED JUNE 30, 2025

2026-046	SIX MONTH STATUS: 2024-25 SCHOOL YEAR FUNDING ACCOUNTABILITY CHALLENGES
NONE	COORDINATION OF COMPLIANCE AND INTERNAL CONTROLS OVER FINANCIAL REPORTING AND FEDERAL AWARDS FOR THE FISCAL YEAR ENDED JUNE 30, 2026
2026-046 AND 2026-175	COORDINATION OF OPERATIONAL AUDIT FOLLOW-UP ON FINDINGS 1 THROUGH 10 DISCLOSED IN REPORT NUMBER 2021-029, OFFICE OF SAFE SCHOOLS AND PRIOR AUDIT FOLLOW-UP, AS WELL AS THE DEPARTMENT'S OVERSIGHT OF THE SCHOLARSHIP FUNDING ORGANIZATIONS AND PROGRAMS

Office of Program Policy Analysis and Government Accountability

REPORT NUMBER	REPORT TITLE
25-11	SIX MONTH STATUS: STUDENT MENTAL HEALTH SERVICES, SUPPORTS, AND OUTCOMES
25-11	COORDINATION OF STUDENT MENTAL HEALTH SERVICES, SUPPORTS, AND OUTCOMES
NONE	COORDINATION OF YOUNG ADULTS HOUSING STUDY

RISK ASSESSMENT AND AUDIT PLAN

Section 20.055, F.S., 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 2025-26 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 2026-27 fiscal year, audit resources will be allocated to the following engagements:

2026-2027 Planned Projects

DIVISION	PROJECT
EARLY LEARNING	GRANT - THE REDLANDS CHRISTIAN MIGRANT ASSOCIATION
FLORIDA COLLEGES	REVIEW OF FOREIGN INFLUENCE (1010.25, FLORIDA STATUTES)
EARLY LEARNING	FORMAL CONTRACT – CHILDREN’S FORUM, INC. - T.E.A.C.H. EARLY CHILDHOOD SCHOLARSHIP PROGRAM*
PUBLIC SCHOOLS	IDEA MONITORING
BLIND SERVICES	CAREER TECHNOLOGY AND TRAINING CENTER
VOCATIONAL REHABILITATION	VR MAINTENANCE FUND PAYMENTS FOR HIGHER EDUCATION ROOM AND BOARD*
VOCATIONAL REHABILITATION	FLORIDA INDEPENDENT LIVING COUNCIL*
VOCATIONAL REHABILITATION	VR MAINTENANCE FUND PAYMENTS DIRECT TO CONSUMERS*
VOCATIONAL REHABILITATION	FEE FOR SERVICE – IF I CAN DREAM FOUNDATION, INC.*
VOCATIONAL REHABILITATION	FORMAL CONTRACT – THE ABLE TRUST-HIGH SCHOOL HIGH TECH
VOCATIONAL REHABILITATION	FEE FOR SERVICE – THE ARC OF THE BAY
VOCATIONAL REHABILITATION	FORMAL CONTRACT – UNIVERSITY OF SOUTH FLORIDA

* INDICATES ROLLOVER PROJECT

2026-2027 Planned Cybersecurity Projects

DIVISION	PROJECT
BLIND SERVICES	ACCESS MANAGEMENT - EXTERNAL COMMUNITY RESOURCE PROVIDERS*
FLORIDA COLLEGES/TECHNOLOGY AND INNOVATION	DATA GOVERNANCE - COMMUNITY COLLEGE AND TECHNICAL CENTER MANAGEMENT INFORMATION SYSTEM
CHIEF INSPECTOR GENERAL	ENTERPRISE PROJECT – SUPPLY CHAIN RISK MANAGEMENT

* INDICATES ROLLOVER PROJECT

INVESTIGATIONS

Section 20.055(7), F.S., requires each OIG to initiate, conduct, supervise, and coordinate investigations designed to detect, deter, prevent, and eradicate fraud, waste, abuse, or employee misconduct impacting the department. Additionally, in accordance with Section 1001.20, F.S., 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 fraud, waste, 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 referrals from the Executive Office of the Governor.

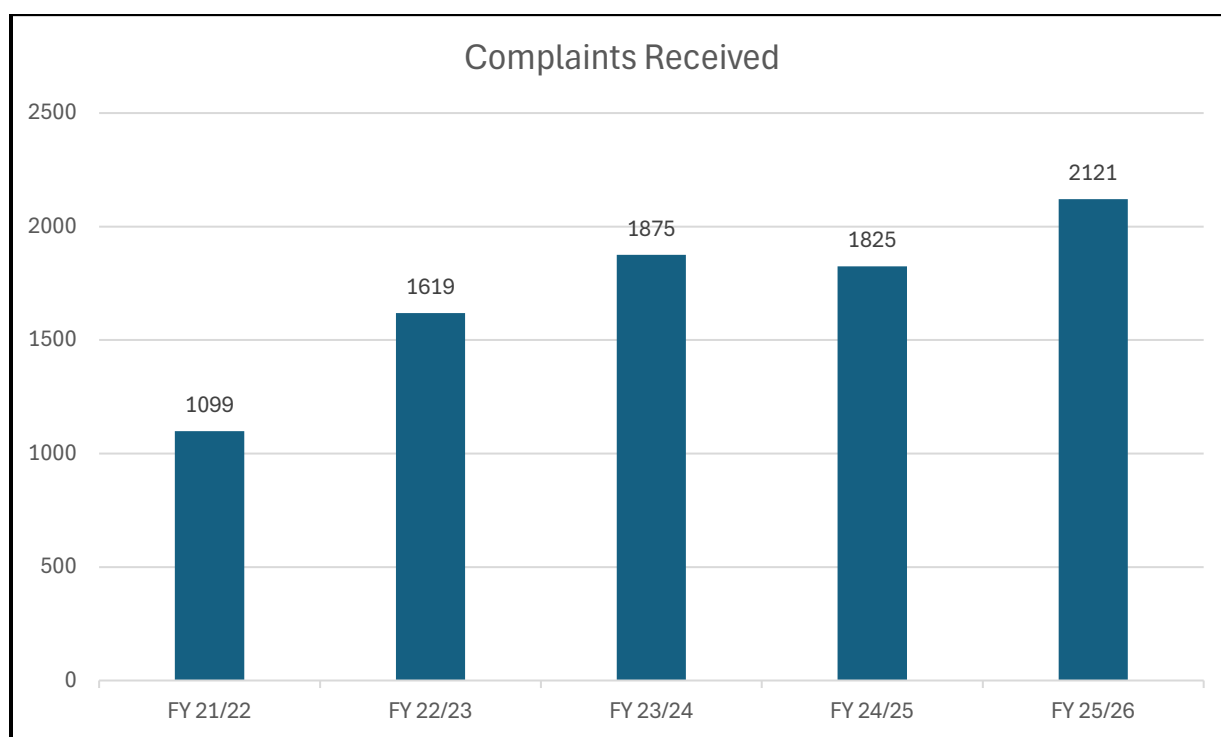
If suspicion of potential criminal activity is discovered, it is referred to the appropriate law enforcement agency, as required by statute. The OIG coordinates with law enforcement on any criminal investigation, while ensuring that issues of an internal nature are addressed administratively.

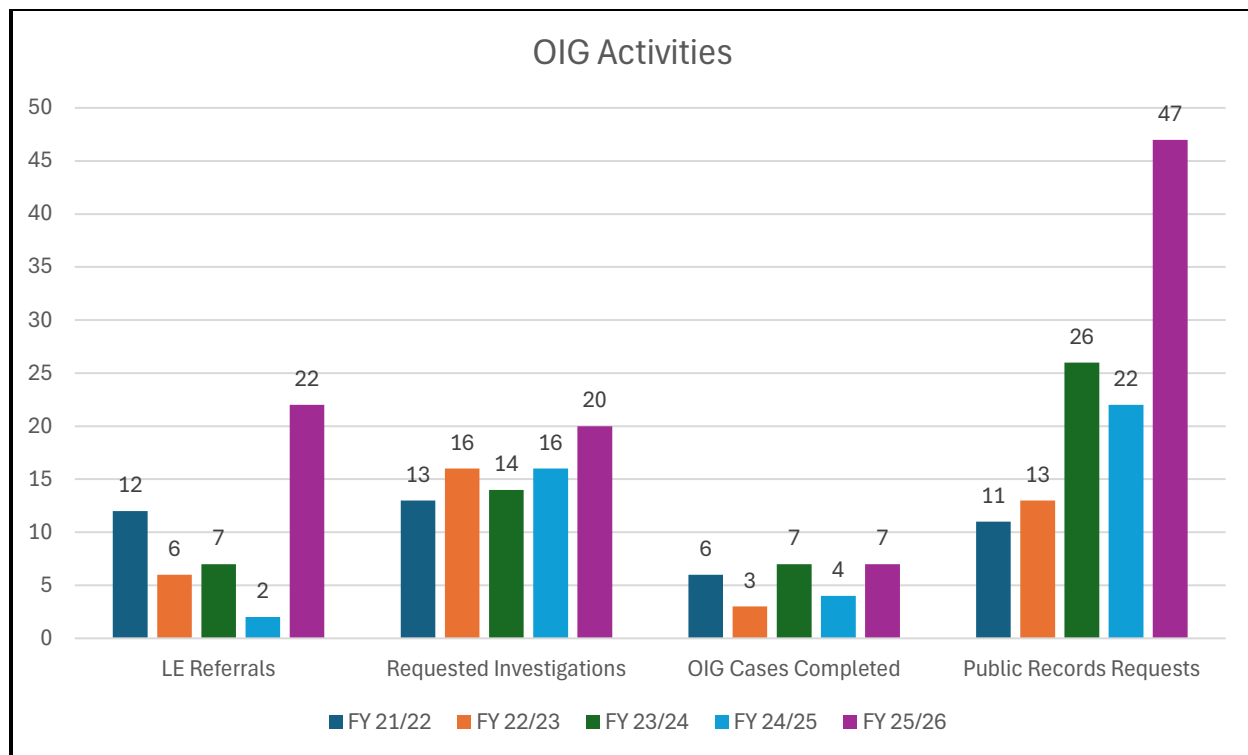
Investigations staff monitor and track all cases to ensure:

- All case findings are reported to the Commissioner of Education 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; and
- 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 2025-26 fiscal year, the OIG received 2,121 complaints from the public and other entities, referred 961 complaints to management, and initiated five full investigations and seven preliminary investigations. The OIG completed two full investigations and five preliminary investigations. Additionally, the OIG coordinated or requested investigations for 20 complaints and made 22 referrals to law enforcement entities. The OIG processed and completed 47 public record requests. The charts below show the trends in complaints received, law enforcement (LE) referrals made, investigations coordinated or requested, cases completed by the OIG, and public records requests completed during each of the five prior fiscal years.





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 inspector general offices. In February 2014, the full CFA voted unanimously to award the certificate of accreditation to the FDOE OIG. In February 2017, February 2020, and again in February 2023, the full CFA voted unanimously to award the certificate of re-accreditation to the FDOE OIG. On November 12, 2025, state assessors completed the required re-accreditation review and determined the OIG to be in compliance with all CFA standards. In February 2026, the full CFA again voted unanimously to award the certificate of re-accreditation to the FDOE OIG. The re-accreditation remains in effect for three years.



COMPLETED INVESTIGATIONS

During the fiscal year, the OIG investigated allegations that included scholarship disbursement fraud, falsification of records, and employee misconduct, among others. Synopses of the investigations completed by the OIG are provided below.

- **2025-0001 FDOE Employee Misconduct**

The OIG received a complaint from a former FDOE Division of Vocational Rehabilitation (DVR) employee. The complainant alleged that another DVR employee was stealing from the state by claiming eight hours of work on their timesheet each day despite not working a full eight-hour day; often coming to work late, taking extended breaks, and/or leaving early. Based on the review of computer logins, badge swipes, security footage, and emails, in conjunction with sworn, recorded witness and subject interviews, the OIG determined that the employee falsified timesheets in People First in violation of Rule 60L-36.005, Florida Administrative Code, and the FDOE Code of Personal Responsibility. The employee consistently claimed work time while away from their work site and failed to adhere to their approved work schedule. Additionally, the OIG identified three days that the employee submitted regular work hours on their timesheet while on approved leave.

The OIG recommended that FDOE leadership place the Investigative Report in the employee's personnel file and take any action deemed appropriate regarding the employee's failure to adhere to FDOE Policies and Procedures. The OIG also recommended that DVR leadership establish clear guidelines regarding the delegation of timesheet approval to ensure the approver receives all leave requests to prevent similar occurrences in the future.

- **2025-0008 FDOE Employee Misconduct**

The OIG received an anonymous complaint alleging that the Bureau of Federal Education Programs Assistant Bureau Chief instructed personnel to leave early during their regularly scheduled work hours for approximately three to four months. The complainant specified that this occurred consistently around 3:30 p.m. to 4:30 p.m. on Fridays and before holidays. The complainant also alleged that the Bureau Chief is aware of this and also leaves early.

Based on the review of security footage, badge swipe records, People First and University of South Florida (USF) timesheets, and email records, in conjunction with sworn, recorded witness and subject interviews, the OIG determined that the Bureau Chief and Assistant Bureau Chief occasionally allowed a few staff members to leave early on Fridays and before holidays without recording it on their timesheets. The OIG reviewed a sample of ten days and found three days where no employee left early, two days where a single employee left 10-15 minutes early, two days where a single employee left roughly an hour early, and three other days where three or four employees left between 10 and 29 minutes before their scheduled departure time. Although not to the severity described in the original allegation, evidence and testimony confirmed that early departures, as well as some late arrivals, occurred on multiple dates but were not properly reflected on employee timesheets as required in Code 4 of the FDOE Code of Personal Responsibility. Additionally, the OIG determined that the Assistant Bureau Chief elicited information from witnesses during an open, confidential investigation and subsequently denied these communications to the OIG. The Assistant Bureau Chief's conduct violated Code 12 of the FDOE Code of Personal Responsibility and Rule 60L-36.005, Florida Administrative Code.

The OIG recommended that FDOE leadership take any action deemed appropriate regarding the employees' failure to adhere to FDOE Policies and Procedures. Additionally, the OIG recommended that the bureau take steps to ensure that all employees and supervisors understand the requirements regarding accurate record keeping related to time and attendance, including the appropriate recording of flex time.

OTHER INVESTIGATIVE ACTIVITIES

The OIG conducts various other investigative activities that do not constitute full investigations. Primarily, other investigative activities within the FDOE OIG are comprised of preliminary investigations; reviews of alleged fraud, waste, and financial mismanagement within the school districts throughout Florida; and reviews of statistically improbable results on statewide assessments.

Other Investigative Activities completed by the OIG during the 2025-26 fiscal year include:

- **2025-0002 Sumter County School District**

The OIG received notification from the FDOE Division of Career and Adult Education (DCAE) regarding allegations of potential forgery committed by the Sumter County School District (SCSD). Specifically, it was alleged that the SCSD provided FDOE with an altered version of the DOE 200 Project Award Notification letter. The OIG reviewed relevant documents and spoke with several FDOE and SCSD employees regarding this matter. The OIG determined that an SCSD employee altered the DOE 200 Project Award Notification letter; however, the OIG determined there was no intent to defraud the state as the document was altered for internal use to inform a school of their funding amount. The OIG recommended that the SCSD stop the practice of altering forms received from FDOE that include FDOE employee signatures. The OIG also recommended that the FDOE DCAE password protect or lock PDF documents that are signed by FDOE employees before they are distributed to outside entities such as school districts.

- **2025-0003 Miami Children's Initiative**

The OIG received allegations that Miami Children's Initiative (MCI) had closed and was no longer servicing students; however, the complainant alleged that MCI had purchased student data from a local private school and were reporting to FDOE that these students attended afterschool programs at MCI. The allegations included potential misuse of student information, falsification of financial and attendance records, and improper use of state and federal grant funds. The OIG reviewed grant and financial records, reviewed MCI's attendance and enrollment documentation, conducted interviews with former MCI personnel and parents, and compared MCI records with enrollment records from the private school.

The OIG confirmed that public school students participated in MCI's afterschool program during the 2023/24 school year, which was the program's last year of operation. MCI could only provide limited and inconsistent documentation. However, the OIG

contacted several parents that confirmed their children attended MCI. Additionally, MCI's students did not match any of the students at the private school where they allegedly purchased student data. MCI has not received any additional state or federal funding since fiscal year 2023/24.

Based on the evidence reviewed, the OIG did not identify sufficient evidence to warrant further investigative action. The investigation was closed, and the OIG referred the matter to the appropriate FDOE program office for administrative review based on documentation deficiencies identified.

- **2025-0005 FDOE Web Link**

The FDOE OIG was notified that a teacher in Lake County discovered a PDF on the FDOE website that contained an embedded link to a pornographic website. The FDOE Information Security team immediately took action to ensure the removal of the inappropriate link from the FDOE website. The OIG's preliminary review identified links on web pages maintained by multiple educational institutions across the country that directed users to the same inappropriate website, likely as a result of the initial domain associated with those links being purchased and ultimately redirected to the inappropriate website. Based on the statements and evidence reviewed, the FDOE OIG determined that a PDF document on the FDOE website did contain an embedded link to a pornographic website; however, there is no reason to believe an FDOE employee maliciously altered the link in the PDF document.

The FDOE OIG referred the case to the FDOE Division of Technology and Innovation (DTI) for their review and any additional action deemed appropriate. Additionally, the FDOE OIG recommended that DTI thoroughly review the FDOE website to confirm that no other links to the inappropriate site remain.

- **2025-0006 Tallahassee Academy International**

The OIG received a complaint alleging that Tallahassee Academy International (TAI) may have obtained an improper financial benefit by knowingly violating laws and rules related to scholarship awards for non-traditional students. During the investigation, the OIG discovered that the owner of the school also owns two other scholarship participating schools located in Dade County, Florida: Lenora Brown School Academy (Lenora) and Miami International Academy (MIA).

The OIG found credible evidence to indicate that TAI, MIA, and Lenora did not meet the statutory minimum compulsory attendance requirements, and students did not have regular contact with instructors as required by Florida Statutes 1002.394, 1002.395, and 1002.421, as well as Rule 6A-1.09512, Florida Administrative Code. The OIG also found credible evidence to indicate that TAI, MIA, and Lenora accessed and managed students' Step Up for Students (SUFS) accounts, including applying for scholarships and accessing the students' EMA accounts, in violation of Florida Statutes and the SUFS Private School Handbook.

TAI, Lenora, and MIA submitted signed, notarized documentation affirming that each scholarship student has regular and direct contact with teachers as required by statute. Additionally, the schools affirmed that they employ or contract with teachers who have regular and direct contact with the students at the school's physical location. All three schools also affirmed that they require parents to restrictively endorse scholarship warrants or approve funds transfers.

The OIG referred the case to the FDOE Office of Independent Education and Parental Choice for further review and action deemed appropriate regarding the schools' continued eligibility to participate in the scholarship program.

- **2026-0001 FDOE Employee Misconduct**

The FDOE OIG received a complaint alleging that an FDOE Division of Blind Services (DBS) employee falsified equipment barcode information for three missing drink machines during the annual inventory process. Specifically, the complainant alleged that the barcode images submitted for three state-owned hot drink machines appeared to be altered, and subsequent review revealed that two of the submitted barcodes corresponded to a different asset, and the third barcode image could not be scanned. The DBS employee advised that the missing drink machines had been inadvertently destroyed during a surplus disposal process.

Based on the statements and evidence reviewed, the OIG determined that the DBS employee falsified barcode information for three missing drink machines. However, the OIG could not verify whether the machines had, in fact, been destroyed as reported due to the lack of documentation linking the specific drink machines to the disposal process. Ultimately, the DBS employee resigned in lieu of termination. As such, the OIG referred the case to the FDOE Division of Finance and Operations, Division of Blind Services, and Office of Labor Relations for their review and any additional action deemed appropriate.

WHISTLE-BLOWER DETERMINATIONS

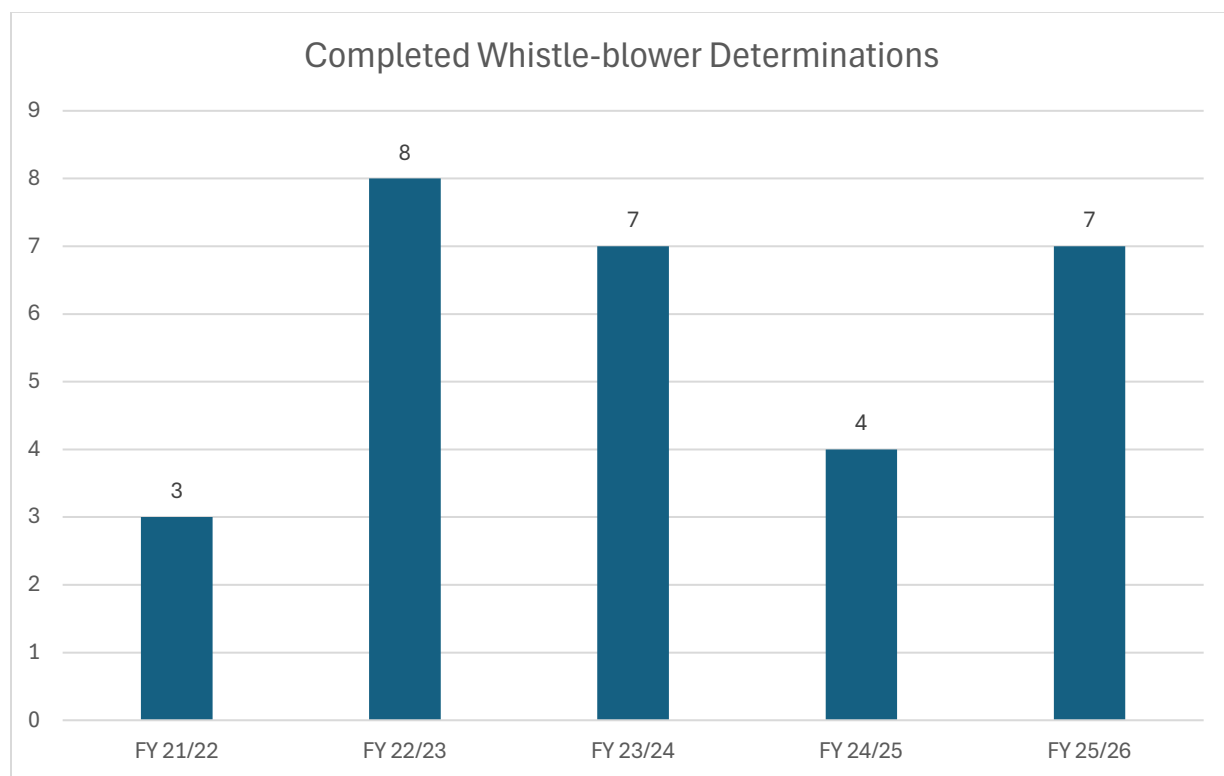
Sections 112.3187-112.31895, F.S., also known as the Whistle-blower's Act, was created to prevent agencies or independent contractors from taking retaliatory action against an employee who reports the following types of information:

- Any violation or suspected violation of any federal, state, or local law, rule, or regulation committed by an employee or agent of an agency or independent contractor which creates and presents a substantial and specific danger to the public's health, safety, or welfare.
- Any act or suspected act of gross mismanagement, malfeasance, misfeasance, gross waste of public funds, suspected or actual Medicaid fraud or abuse, or gross neglect of duty committed by an employee or agent of an agency or independent contractor.

Every complaint received by the OIG undergoes a preliminary review to determine if the provisions of the Whistle-blower's act could apply. In instances where the act might apply, such as when the complaint is received from a current or former employee of FDOE or an OIG

independent contractor of FDOE, the OIG conducts a more thorough review of the complaint, including contacting the complainant to ensure a full understanding of the allegations and completing a formal whistle-blower determination.

The investigations section completed seven whistle-blower determinations during Fiscal Year 2025-26. After assessing the complaints, the OIG determined that the allegations did not present a substantial and specific danger to the public's health, safety or welfare, nor did they include any suspected act of gross mismanagement, malfeasance, misfeasance, gross waste of public funds, suspected or actual Medicaid fraud or abuse, or gross neglect of duty. Therefore, these complaints were addressed through means other than a whistle-blower investigation. The chart below shows the trend in completed whistle-blower determinations during each of the five prior fiscal years.



NEW EMPLOYEE ORIENTATION AND OIG OUTREACH

During the department's New Employee Orientation sessions, the OIG presents an overview of the OIG, staff, and investigative activities to provide new employees with a basic understanding of the OIG, 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's 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 to safeguard education dollars as new stewards for the Florida Department of Education. During Fiscal Year 2025-26, the OIG made this presentation to 285 department employees.

EARLY LEARNING FRAUD PREVENTION UNIT

Effective July 1, 2021, the Office of Early Learning (OEL) merged with the Department of Education to become the Division of Early Learning (DEL). With the merger, two OEL Office of Inspector General (OIG) staff were integrated into the FDOE OIG to form the Early Learning Fraud Prevention Unit. Working with early learning coalitions (ELCs) and Redlands Christian Migrant Association (RCMA), the Early Learning Fraud Prevention Unit continued its efforts to prevent and detect instances of fraud in the statewide early learning system. Anti-fraud activities focused on providing technical assistance, in-person training sessions, and sharing best practices with early learning coalitions. The Fraud Prevention Unit continued its partnerships with other government agencies to improve the identification of potentially fraudulent activity.

DEL's Fraud Prevention Unit reviews and forwards suspected fraud cases identified by the coalitions for the School Readiness (SR) and Voluntary Prekindergarten (VPK) programs to the Florida Department of Financial Services (DFS), Bureau of Public Assistance Fraud (BPAF)¹ for criminal investigation. In turn, BPAF investigates the suspected fraud cases and refers suspected criminal activity to the appropriate State Attorney's Office (SAO) for criminal prosecution.

During the 2025-26 fiscal year, the various SAOs throughout Florida made final determinations on 15 cases BPAF had previously referred for prosecution with an estimated overpayment of \$917,304.88. Those 15 referrals resulted in 13 successful outcomes and a total of \$812,155.37 in restitution ordered returned to DEL. In fiscal year 2025-26, DEL collected \$82,255.68 in restitution payments from recipient cases referred in the 2025-26 and prior fiscal years. Additionally, the ELCs collected \$121,362.04 in overpayments due to suspected fraud.

¹ Effective July 1, 2024, the Division of Public Assistance Fraud (DPAF) changed to the Bureau of Public Assistance Fraud (BPAF). House Bill 989 merged the Division of Public Assistance Fraud (DPAF) with the Division of Investigative and Forensic Services (DIFS) and was renamed as the Criminal Investigations Division (CID). With these changes, the new name is Florida Department of Financial Services, Criminal Investigations Division, Bureau of Public Assistance Fraud. The Bureau of Public Assistance Fraud's areas of responsibility, jurisdiction, authority, and charge to investigate remain the same.

FY 2025-26 Provider Fraud Case Referrals and Status	
SR/VPK providers DEL referred to BPAF for investigation.	7
Provider cases being screened by BPAF.	0
Provider cases BPAF did not investigate.	4
Provider cases pending assignment to a BPAF investigator.	1
Provider cases BPAF was actively investigating at year-end.	2
FY 2025-26 Recipient Fraud Case Referrals and Status	
Number of SR recipients referred to BPAF for criminal investigation.	258
Number of SR recipient cases BPAF did not investigate.	159
Number of cases in screening status or pending assignment to a BPAF investigator.	76
Number of SR cases that BPAF is actively investigating, referred to the State Attorney's Office, or a request was made for overpayment/over-issuance assistance.	23
Number of SR recipient cases sent to BPAF that are awaiting status at year-end.	0

DFS Project Manager Activities

In order to coordinate the referral process, the OIG serves as the project manager for the DFS-BPAF investigation agreement. The DFS contract is funded through the Child Care and Development Fund and has a total contract value of \$623,610. During the fiscal year, the OIG conducted the following BPAF project manager activities:

- DFS-BPAF and DEL agreement renewal process;
- Periodic review and approval of BPAF invoices;
- Monthly reporting of restitution received by the DEL to BPAF leadership;
- Monthly processing and reporting of the SAO disposition reports received from BPAF; and
- Processing SAO letters, subpoenas, and *Victim Impact Statement* requests received from various SAOs.

OIG Fraud Referral System Administration

ELCs utilize a web-based application to refer potential public assistance fraud cases to the OIG. During the fiscal year, the OIG performed user account administration activities, maintained the FRS Administrator Guide, and performed bi-annual FRS account certifications.

Early Learning Coalition Anti-Fraud Plans

Pursuant to Rule 6M-9.400(2), Florida Administrative Code, ELCs shall adopt an anti-fraud plan (Plan) addressing the detection and prevention of overpayments, abuse, and fraud relating to the provision of, and payment for, SR and VPK Program services. ELCs must annually submit a copy of their Plans to the OIG for approval. During the fiscal year, the OIG reviewed and approved 31 ELCs and contractor Plans.



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

<https://www.fldoe.org/about-us/office-of-the-inspector-general/>