



FLORIDA INSPECTORS GENERAL



SUMMARY OF DATA QUALITY REVIEWS PERFORMED FOR SEPTEMBER 30, 2009 REPORTING FOR THE AMERICAN RECOVERY AND REINVESTMENT ACT OF 2009 November 2, 2009

Florida's Inspectors General community has defined three distinct phases in ARRA oversight. The first stage we have labeled "Readiness", the second, "Data Quality" and the third "Assurance".

The "Readiness" phase could best be described as imbedding oversight and the associated accountability in the process as systems were developed, as policy was made, as training curriculum was designed, and as contracts/grant agreements were developed. It included assessment of accounting, communicating and reporting infrastructure capacity. As issues were identified, immediate feedback was provided to management and appropriate adjustments were recommended.

The second phase focused on "Data Quality". The attached documents detail the efforts taken by Florida Inspectors General to ensure the quality of the ARRA data submitted by their agency. Seventeen agencies received ARRA funding and reported results for the quarter ending September 30, 2009.

It became apparent early in the process that the task of data validation was going to be a formidable undertaking. The short, 3-day timeframe available for reviewing data before it was uploaded to the Federal Reporting System presented a challenge. Florida recognized that a majority of the reporting information (e.g. recipient name, recipient address, grant number, award amount, DUNS number), was known prior to the end of the reporting period and would not be changing (static). The early availability of this data allowed the detailed validation of the information before September 30, 2009. The static data includes all data except ARRA funds received, ARRA expenditures, number of sub-recipients/vendors, contact information for each sub-recipient and jobs created/retained (which we call 'variable' data).

The actual validation process was often a time-consuming, repetitive process. Most of the initial validation of static data was done from spreadsheets designed and distributed by the Florida Office of Economic Recovery. Data from these spreadsheets were later uploaded into the Florida Reporting system. The validation was done by tracing the reported data to source documentation such as original grant agreements, accounting systems, contract tracking systems and a variety of agency specific sources. Some of the data elements provided challenges such as making sure the required nine digit zip code was entered for



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each recipient and sub-recipient and determining the congressional district to be reported for those entities which operated from several locations throughout the state. However, other elements were fairly easy to verify, such as DUNS numbers for recipients and sub-recipients which could be verified by using information from the Central Contractor Registration (CCR) website.

Most Inspectors' General offices reported validating 100% of their agency's static data. However the methodologies used to validate the variable data covered a broad spectrum from tracing the reported information back to source documents to performing reasonableness checks of the reported numbers to simply tracing the numbers from the agency's records to the Florida Reporting System. As indicated on the Data Quality Phases diagram, Inspector's General staff continued to monitor the data in the Florida Reporting System and the Federal Reporting System until the completion of the Federal review on October 30, 2009. They will identify new ARRA programs and soon begin their data quality review for the December 30, 2009 reporting cycle.

Now that the first reporting cycle has been complete, the Inspectors General are beginning the "Assurance" phase of ARRA oversight. This phase will look more like traditional internal audits. Resources will be devoted to providing assurance as to the accuracy of the data reported, assessing internal control structures and increasing vigilance related to fraud, waste and abuse.

As the Florida Inspectors General evaluate the results of their oversight activities, lessons learned will be shared and used to strengthen accountability over ARRA funds and programs.

Attachments

Attachment 1

DATA QUALITY REVIEW SUMMARIES

**Department of Agriculture and Consumer Services
Department of Children and Families
Department of Community Affairs
Department of Education
Department of Elder Affairs
Department of Environmental Protection
Fish and Wildlife Conservation Commission
Executive Office of the Governor
Department of Health
Agency for Health Care Administration
Department of Law Enforcement
Department of Legal Affairs/Office of the Attorney General
Department of Military Affairs
Department of State
Department of Transportation
Department of Veterans Affairs
Agency for Workforce Innovation**

The Department of Agriculture and Consumer Services' Office of Inspector General (OIG) has worked closely with the Department's program staff to provide technical assistance during the implementation of the ARRA funding. The OIG has also performed reviews on selected contracts with regards to 1512 reporting through September 30, 2009. Our Office performed the following:

- Attended various program meetings to discuss the implementation process of the ARRA funding.
- Reviewed the risks of each ARRA program with program staff members.
- Discussed documentation requirements with program staff members to ensure that ARRA requirements were outlined in the agreement.
- Reviewed supporting documentation relating to the Department's reporting of jobs created and retained in order to determine the accuracy of the reported number.
- Reviewed 30 ARRA contracts to determine if the contract files contained supporting documentation indicating that the deliverables were received.

The Department of Children and Families Office of Inspector General's, Internal Audit Team began reviewing data requirements for the American Recovery and Reinvestment Act (ARRA) as guidance became available. Auditors conducted research, viewed webinars, listened to conference calls, and participated in meetings to obtain information on data reporting requirements, and to follow the Department's current reporting status for the various Federal and State reporting systems. Auditors met with Program and Financial staff to review the proposed format for reporting by subrecipients. Preliminary data was reviewed as it became available. Data entered into the FlaReporting and the FederalReporting Systems were reviewed and compared with available supporting documentation such as:

- Grant Agreements,
- Department expenditure and budget data,
- Contract/subaward data,
- Central Contractor Registration data,
- Zip Code and Congressional District listings available on the Internet, and
- Reports submitted by subrecipients.

As discrepancies were identified during the reviews, prompt feedback was provided to Program and Financial staff.

The Department of Community Affairs Inspector General has worked closely with the Housing and Community Development program staff providing technical assistance during the implementation of the ARRA funding. The Inspector General has also performed data element quality review on all 1512 reporting through September 30, 2009.

- Attended various program meetings to discuss the implementation process of the ARRA funding.
- Reviewed the subrecipient agreements to ensure that all ARRA requirements were included in the agreement.
- Met with program staff to assess their understanding of the required data elements for 1512 reporting and provided technical assistance as needed.
- Reviewed the processes established by the program staff.
- Reviewed 100% of static and variable data reported by the program staff and/or subrecipients.
- Sampled various subrecipients relating to their reporting of jobs created and jobs retained to obtain an understanding of the processes used by the subrecipient to report this data.

Department of Education Inspector General staff have worked closely with staff in the Division of Finance and Operations to provide quality assurance assistance during the implementation of ARRA funding. Quality assurance tasks for the initial reporting period ending September 30, 2009 included:

- Attended various program meetings to discuss the implementation of ARRA funding.
- Met with program staff to assess their understanding of the required data elements and data quality requirements for 1512 reporting.
- Mapped data collection system in cooperation with ARRA reporting team and IT programmer to identify areas for confirmation.
- Sampled grant award notifications and compared with static ARRA reporting data regarding award amounts and dates and sub-recipient addresses.
- Validated sub-recipient DUNS numbers, addresses, and postal codes to the CCR (Central Contractor Registration) Web site.
- Validated congressional districts to the Congress.org Web site.
- Compared grant award and disbursement data in DOE financial system to ARRA reporting.
- Consulted with the Division of Finance and Operations on developing a grant program monitoring plan.

We are currently in the process of

- Comparing sub-recipient jobs and expenditure data reported to Florida Reporting to the DOE data collection system results.
- Surveying a sample of sub-recipients to determine methodology for and documentation supporting computation of jobs created and retained.

The Florida Department of Elder Affairs Office of Inspector General conducted a comprehensive assessment of the risk in each program where ARRA funds were provided. The assessment included the following ARRA specific control points:

- Are controls in place to ensure funds are awarded and distributed in a prompt, fair, and reasonable manner?
- Are data collection systems in place for tracking data associated with Recovery Act reporting requirements?
- Are there controls in place to ensure Recovery Act funds are clearly distinguishable from non-Recovery Act funds?
- Are procedures or processes in place to track and report Recovery Act funds?
- Are controls in place to ensure the timely expenditure of Recovery Act dollars?
- Are processes in place to ensure that reporting requirements are met?
- Does the program(s) have sufficient, qualified, well-trained contract management staff to meet the requirements of the Recovery Act?

The ARRA special project will continue to be a priority for the OIG and we continue consulting with both program managers and the Division of Financial Administration as they reconcile and report on ARRA expenditures to the federal government.



Florida Department of Environmental Protection

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Charlie Crist
Governor

Jeff Kottkamp
Lt. Governor

Michael W. Sole
Secretary -
Designee

To: Kim Mills, Director of Auditing
Executive Office of the Governor

From: Valerie Peacock, Audit Administrator
Department of Environmental Protection Office of Inspector General

Date: October 14, 2009

Subject: Department of Environmental Protection (DEP) Office of Inspector
General ARRA Data Quality Review Efforts

The Department of Environmental Protection Office of Inspector General has worked closely with the Department ARRA Reviewer (Director of Regulatory Compliance) and staff from the following programs providing technical assistance during the implementation of the American Recovery and Reinvestment Act (ARRA) funding.

- Water Resource Management Clean Water State Revolving Loan Fund
- Water Resource Management Drinking Water State Revolving Loan Fund
- Waste Management Bureau of Petroleum Storage Systems Leaking Underground Storage Tanks
- Environmental Assessment and Restoration, Water Quality Management Planning
- Air Resource Management, State Clean Diesel Grant

The Office of Inspector General has performed data element quality review on all 1512 reporting through September 30, 2009. This included the following activities.

- Designated ARRA supervisory point of contact and audit team in coordinating review efforts.
- Attended Data Reporting Training.
- Attended program meetings to discuss the implementation process of the ARRA funding.
- Met with program staff to assess their understanding of the required data elements for 1512 reporting as well as to assess the status of the ARRA award and funding source and amount, and provided technical assistance as needed.
- Reviewed the processes established for ARRA fund tracking and reporting by program staff.

- Reviewed static and variable data reported by program staff and/or sub-recipients. Verify/validated data entries awards information to ensure accurate reporting in the Florida Reporting system.
- Verified reported award name, amount, type, date, number, CFDA number, and descriptions against executed agreement with EPA.
- Verified revenue and expenditure amounts reported against FLAIR reports obtained from Finance and Accounting.
- Reviewed backup documentation for expenditures.
- Verified DUNS numbers on the CCR website to ensure the accuracy of DUNS numbers reported in the Florida Reporting System and to ensure that sub-recipients were registered in the CCR database.
- Reviewed sub-recipient agreements to ensure that all sub-recipient names, award numbers, and award amounts reported were supported by executed agreements.
- Sampled various sub-recipients relating to their reporting of jobs created and jobs retained to obtain an understanding of the processes used by the subrecipient to report this data. Reviewed source document information provided by program on awards data, funding amounts, jobs data, and expenditures. Reviewed the methodology used for the reporting of jobs retained and created to determine the processes used by the recipient and vendors to report this data.
- Reviewed the vendor contracts and interviewed program staff to ensure that all ARRA requirements were included in the contract amendments.
- Followed up with program management and DEP ARRA reviewer on reconciliations and corrections to data

The Florida Fish and Wildlife Conservation Commission (FWC) Inspector General has worked closely with the FWC Division of Law Enforcement program staff providing technical assistance during the development of potential ARRA funding. To date there have been no expenditures in any of the FWC related ARRA grants. However, the FWC Inspector General will perform data element quality review on all 1512 reporting issues when the grants become operational, probably in early 2010.

- Attended various program meetings to discuss the implementation process of the ARRA funding within the Division of Law Enforcement.
- Met with program staff to assess their understanding of the required data elements for 1512 reporting and provided technical assistance as needed.
- Reviewed the processes established by the program staff.

Data Quality Review Procedures

October 15, 2009

Internal Audit staff has worked closely with the staff and management of the Energy Office providing technical assistance during the implementation and administration of the ARRA programs. Internal Audit staff has also performed data element quality review on all 1512 reporting through September 30, 2009.

- Attended various program meetings to discuss the implementation process of the ARRA funding.
- Reviewed the template to be used for subrecipient agreements to ensure that all ARRA requirements were included in the agreement.
- Met with program staff to assess their understanding of the required data elements for 1512 reporting and provided technical assistance as needed.
- Reviewed the procedures and processes established by program staff.
- Performed a Risk Readiness review of ARRA programs.
- Maintain audit log and files to include meetings, discussions and documents provided by the Energy Office.
- Attended various ARRA related training events.
- Reviewed 100% of static and performed sample testing of variable data reported by the program staff and/or subrecipients.
- Traced ARRA reported data from agency data to the Florida reporting system to the Federal reporting system to verify accuracy of data reported.

Florida Department of Health ARRA Data Quality Review Actions

The Florida Department of Health (DOH), Office of the Inspector General, Internal Audit staff performed the following functions to verify the quality of submitted data:

- Met with program staff to obtain an understanding of the required data elements for Section 1512 of the American Recovery and Reinvestment Act (ARRA) through September 30, 2009.
- Verified and traced data in the Florida Reporting website for each of DOH's grants to source documentation.
- Worked with DOH personnel responsible for editing and correcting data to ensure such data agreed with source documentation.
- Verified that amounts for sub-awards agreed with source documentation.
- Attended meetings between Florida Office of Economic Recovery staff and DOH staff to ensure mutual understanding and agreement of any differences in data.

The Agency for Health Care Administration (Agency) had only one ARRA award to report: the Ambulatory Surgical Center – Healthcare Associated Infection (ASC-HAI) Prevention Initiative 2009 in the amount of \$16,250. There were no sub awards, sub recipients or vendor payments associated with this award. Prior to reviewing the award data, the Agency's Inspector General's (IG) Office attended training on ARRA reporting requirements and the IG's role in reviewing this data. In addition, throughout the course of the review, IG staff worked closely with Agency and Florida's Office of Economic Recovery staff to help ensure reported data was accurate and complete. The IG's data quality review consisted of verifying:

- Award information to award documentation and U.S. Department of Health & Human Services supplementary award instructions, and
- Project information through discussions with Agency staff and reviewing the methodology used to calculate award expenditures and the number of jobs created/retained.

ARRA Data Quality Review

The Florida Department of Law Enforcement Office of Inspector General has worked closely with the members of the Office of Criminal Justice Grants. We served as a sounding board and in an advisory capacity in meeting the requirements of the American Recovery and Reinvestment Act (ARRA). Specifically,

- FDLE held weekly meetings among members of the Office of Finance and Accounting, Office of Criminal Justice Grants, Office of General Counsel, and Office of Inspector General to ensure communication and understanding of the 1512 requirements during the implementation of the ARRA.
- Obtained an understanding of the established process for sub awarding the grant.
- Attended meetings, conference calls and training held by the Florida Office of Economic Recovery and the Chief Inspector General.
- Reviewed the sub award documentation in the FDLE Grant System for the sub awards expended as of September 30, 2009 to ensure that all ARRA requirements were included in the agreement, and that payment made was in accordance with the sub award agreement.
- The Office of Inspector General performed data element quality review on the State JAG Recovery Act Funds Grant subject to the requirements of 1512 reporting. FDLE, through the Office of Criminal Justice Grants, received an award for \$81,537,096, on April 29, 2009, to be sub awarded to cities and counties throughout the State of Florida. The data quality review included:
 - Reviewed the static data reported by the Office of Criminal Justice Grants to the Florida Reporting System
 - Verified that the information on the Florida Reporting System was accurate as reported on the FDLE Grant System for a sample of sub awards. Several discrepancies were noted, specifically in the areas of congressional district numbers and zip codes.
 - Verified the reported information on the jobs created and/or retained.
 - Performed a cursory review of the data reported on the Federal Reporting System as compared to the data on the Florida Reporting System.



**BILL McCOLLUM
ATTORNEY GENERAL
STATE OF FLORIDA**

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OCT 15 2009

Governor's Office
Chief Inspector General

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MEMORANDUM

TO: Melinda Miguel, Chief Inspector General

FROM: James D. Varnado

DATE: October 15, 2009

SUBJECT: Data Quality Review

A handwritten signature in blue ink, reading "James D. Varnado", written over the "FROM" line of the memorandum.

The Department of Legal Affairs Inspector General acquainted themselves with the A.R.R.A as follows:

- The Inspector General reviewed the terms of the Section 1512 (c) Victims of Crime Act and Victims Compensation grants and the A.R.R.A. itself.
- Program and Accounting staff were interviewed and documentation collected to ascertain compliance with selected financial reporting terms of the grant.
- Selected federal government webinars, Office of Management and Budget memorandums, and Association of Government Accountants training classes were attended to determine oversight expectations and gain knowledge regarding accountability of A.R.R.A. expenditures.

The DLA Inspector General conducted data quality reviews as follows:

- Program staff were interviewed to ascertain what was reported and the sources of the data, to determine their methodology for calculating hours compensated used to determine impact of A.R.R.A., to evaluate data reporting practices to ensure the data was accurate and complete.
- The IG reviewed a sample of Victims of Crime Act grant invoices (source documents) regarding hours reported to determine accuracy and traced to supporting documentation for a selected group of entries.
- The IG reviewed and confirmed the source of Victims' Compensation financial expenditure data from Finance and Accounting and questioned F/A staff regarding their query methodology.
- The IG reviewed previous Inspector General and U.S. Department of Justice reports for internal control conditions noted.

If you have any questions or comments please contact Audit Director Judy Goodman: 414-3456/3591.

The Department of Military Affairs (Department) Inspector General has reviewed the Department's process in the implementation and disbursement of AARA funding. The inspector General, thru staff and management interviews and review of vouchers, determined that the Department is following guidelines as required by AARA. As of September 30, 2009, the department disbursed \$276,773.90 of AARA funds. The following procedures were performed:

- The Department Chief Facilities Management Office receives guidance from the General Accounting Office via Department of Defense on which projects funds will be used.
- Funds are then obligated and a separate account and category is used per Dept. of Financial Services.
- Payment is entered into FLAIR by the accounting supervisor and reviewed by the Director of Finance and Accounting.
- The Director then enters information into the Florida Web Portal System for reporting purposes.

The Department of State Office of Inspector General has worked with staff of the Division of Cultural Affairs during ARRA-funding data reporting period. The Office of Inspector General has also performed quality review on the data elements reported per 1512 through September 30, 2009. These activities included:

- Attending various meetings to discuss the data reporting process for the ARRA funding with agency personnel as well as meetings with the Florida Office of Economic Recovery and Chief Inspector General's Office.
- Met with program staff regarding their understanding of the required data elements for 1512 reporting and provided technical assistance as needed.
- Reviewed the data reporting processes established by the program staff.
- Performed review of both static and variable ARRA data reported by the program staff on both the FlaReporting System and the FederalReporting System.

The Florida Department of Transportation Office of Inspector General has worked closely with department management to ensure the completeness and accuracy of the Department's September 30th submission of ARRA Section 1512 reporting. To this end we:

- Maintained continuous interaction with Department functional offices, Federal Highway Administration (FHWA), Executive Office of Governor (EOG), Government Accountability Office (GAO), Office of Management and Budget (OMB) regarding ARRA reporting activities and requirements.
- Created an independent review team to conduct analyses of all ARRA data (by field) prior to the department submission of data to the FlaReporting System.
- Attended the OMB webinars and EOG training on the use of the FlaReporting and Federal Reporting Systems.
- Coordinated with our Office of Work Program to review the completeness and accuracy of data.
- Analyzed data for omissions, errors, or anomalies to ensure the integrity of reported data.
- Contacted Mike Kohrt, Government Liaison with Dun and Bradstreet to validate recipient and subrecipient DUNS numbers.
- Worked with staff from the Office of Economic Recovery to understand the FlaReporting System requirements and address any issues identified by their data validation process.
- Communicated with the EOG, Office of Policy and Budget staff to ensure data submissions conformed to the requirements of the FlaReporting and Federal Reporting Systems and reconciled the submission of information to the Florida Accounting Information Resource (FLAIR).
- Sampled information from within the FlaReporting and Federal Reporting Systems to ensure the accuracy and completeness of submitted data.

In coordination with the above-mentioned partners, we have ensured the review of 100% of the static and variable data. This effort has resulted in the timely and successful submission and acceptance of our ARRA Section 1512 information.

The Department of Veterans Affairs Inspector General has worked closely with the Homes Program and Finance staff, providing technical assistance during the implementation of the ARRA funding. The Inspector General has also:

- Performed data element quality review on all 1512 reporting through September 30, 2009.
- Attended various program meetings to discuss the implementation process of the ARRA funding.
- Reviewed the Memorandum of Agreement for Grant FA-12-015 to ensure that all ARRA requirements were included in the agreement.
- Met with program staff to assess their understanding of the required data elements for 1512 reporting and provided technical assistance as needed.
- Reviewed the processes established by the program staff.
- Reviewed 100% of static and variable data reported by the program staff and/or subrecipients.



**Agency for Workforce Innovation
Office of Inspector General (OIG)
Status of ARRA Data Quality Activities**

The Agency for Workforce Innovation (AWI) Office of Inspector General (OIG) has performed a data element quality review on ARRA 1512 data that was uploaded to the Florida Reporting System as of October 9, 2009. The OIG activities included the following:

- Analyzed the risk associated with the Agency's processes for reporting 1512 data.
- Staff attended three Webinars and one audio conference that addressed ARRA reporting. The Conferences were entitled: "Next Steps in Accountability and Control over Recovery Act Funds"(audio conference) and Webinars entitled "ARRA Section 1512 Reporting Requirements", "Recipient Reporting Update Section 1512" and "ARRA-The Impact of the Recovery Act on the Single Audit."
- Held meetings with the Agency's 1512 Data Coordinators prior to and during the reporting implementation process.
- Reviewed the Agency's plans for receipt of 1512 data from sub recipients.
- Verified static 1512 data that included DUNS numbers, county codes, CCR numbers, congressional districts, grant amounts and numbers, sub-grant numbers and zip codes.
- Verified variable 1512 data received by AWI from its sub recipients namely Early Learning Coalitions (ELCs) and Regional Workforce Boards (RWBs) located throughout Florida. This variable data from the ELCs and RWBs was verified by examining summary worksheets used as source documents to compile the data being reported;

Attachment 2

DIAGRAM OF DATA QUALITY REVIEW PHASES

