



***Florida Department of Corrections***

**Office of Inspector General**

***Annual Report***

**Fiscal Year 2014-15**



FLORIDA  
DEPARTMENT of  
CORRECTIONS

Governor  
**RICK SCOTT**  
Secretary  
**JULIE L. JONES**

501 South Calhoun Street, Tallahassee, FL 32399-2500

<http://www.dc.state.fl.us>

September 29, 2015

Julie L. Jones  
Secretary  
Florida Department of Corrections  
501 South Calhoun Street  
Tallahassee, Florida 32399-2500

Dear Secretary Jones:

I am pleased to present the Office of Inspector General (OIG) Annual Report for Fiscal Year 2014-15, provided pursuant to the mandate of Section 20.055(8), Florida Statutes. This report outlines the activities and accomplishments of the OIG for the fiscal year ending June 30, 2015.

A true measure of the value and services of the OIG can never be fully reflected in an annual report. The tangible results such as services performed, contracts audited, complaints referred, contracts reviewed and associated dollar impacts, and employees disciplined or convictions obtained as a result of an investigation can be readily reported. However, our intangible services, including the deterrent effect of this office, are not always readily quantifiable in an annual report. This report documents the many activities that fall within the responsibility of this office and it reflects the high professional standards of each member of the OIG team.

I would like to take this opportunity to thank you for the support you have provided to this office. We look forward to continuing to work closely with you, your leadership team, and our fellow employees to promote economy, efficiency and effectiveness, and to help the Department accomplish its critical mission and initiatives in the months ahead. We remain committed to helping improve the operations and programs of the Department.

Please let me know if I may be of further assistance.

Respectfully submitted,



Jeffery T. Beasley  
Inspector General

JTB/prs



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DEPARTMENT of  
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Governor  
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Secretary  
**JULIE L. JONES**

501 South Calhoun Street, Tallahassee, FL 32399-2500

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September 29, 2015

Melinda M. Miguel,  
Chief Inspector General  
Office of the Chief Inspector General  
Room 2103 - The Capitol  
Tallahassee, FL 32399-0001

Dear Ms. Miguel:

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## Table of Contents

Department Background.....	1
Purpose of this Annual Report.....	1
Vision.....	2
Mission.....	2
General Goals.....	2
Specific Areas of Responsibility.....	2
Office of Inspector General Organizational Chart.....	5
Bureau of Investigations .....	6
Investigations.....	6
Use of Force Unit .....	7
Intelligence Unit.....	9
Florida Fusion Center .....	9
Fugitive Unit.....	10
Contraband Interdiction/Narcotic Canine Unit .....	10
Prison TIPS .....	12
Security Threat Intelligence Unit .....	12
EEO Investigative Unit.....	15
Whistle-blower Unit.....	16
Environmental Health, Safety, & Risk Management.....	16
Bureau of Internal Audit .....	17
Mission.....	17
Goals .....	18
Bureau Organization and Responsibilities .....	18
Internal Audit Section .....	18
Projects Completed by Compliance/Performance/IT Section .....	18
Audit Reports .....	20
Contract Management Review Section .....	22
Contract Management Review Reports.....	23

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## Department Background

As the nation's third-largest prison system, the Florida Department of Corrections (FDC) fulfills a primary role in enhancing the safety of Florida residents. Through a network of state prisons (49 state and 7 private), road prisons, work camps and community-based facilities, the department manages incarceration and care for approximately 100,000 inmates. It also supervises approximately 140,000 offenders through 131 probation offices statewide. The department employs approximately 22,000 employees, the majority of whom are Correctional Officers or Correctional Probation Officers who carry out this public safety mandate 24 hours a day, 7 days a week, 365 days a year.

## Purpose of this Annual Report

Section 20.055, Florida Statutes, requires the Inspector General submit to the agency head, and for state agencies under the jurisdiction of the Governor, the Chief Inspector General no later than September 30 of each year, an annual report summarizing the activities during the preceding fiscal year. This report provides departmental staff and other interested parties with an overview of the Office of Inspector General's activities as related to its mission.

# Office of the Inspector General



## **Vision**

A safe and efficient Florida correctional system.

## **Mission**

Promote leadership to ensure accountability, integrity, and efficiency within the Florida Department of Corrections.

## **General Goals**

To add value to the department by:

1. Continuously identifying department needs & priorities;
2. Identifying risk and threats that impact public safety;
3. Promoting innovative solutions to address the department's needs; and
4. Providing timely, accurate and pertinent information to decision makers.

## **Specific Areas of Responsibility**

Primary services provided by the Office of Inspector General include the following:

1. An **automated management information network** to keep designated personnel informed of events that occur on department property or concerning department staff, inmates, offenders, and other activity throughout the state. This information network:
  - provides an incident/event reporting system for all areas of the department, enabling early identification of problems and timely allocation of investigative and corrective resources;
  - collects statewide data for use by key personnel in developing strategies to address areas of concern;
  - provides timely flow of information to management and, through the Public Information Office, to the public; and
  - leads department efforts to maintain cooperative working relationships with Florida Department of Law Enforcement (FDLE) and other law enforcement agencies.

2. **Certified law enforcement and correctional inspectors** conduct criminal and administrative investigations relating to inmates, offenders, visitors, department and contract staff, and vendors. Inspectors:
  - take an active role in locating and coordinating the arrest of fugitives by working closely with the staff in the Fugitive Unit;
  - investigate crimes occurring on department property and coordinate with other law enforcement agencies and prosecutorial entities; and
  - conduct administrative investigations into allegations of misconduct by staff, contractors, inmates, and offenders.
3. The **Intelligence Unit** collects and analyzes data to identify trends, contraband introduction methods, officer safety issues, and gang and criminal activities in department facilities. This information and intelligence is used by senior management, other state and local law enforcement offices and agencies, the Federal Bureau of Investigation, and the Department of Homeland Security.
4. The **Contraband Interdiction Unit** assists the Office of Institutions in providing a safe environment for employees, inmates, and visitors by deterring the introduction of weapons, cell phones, narcotics and other contraband into correctional facilities. Interdiction teams:
  - conduct unannounced interdiction operations, including searches for weapons and narcotics, in both state and private correctional facilities; and
  - review contraband control processes at state correctional facilities for compliance with department policy and procedure.
5. **Inspectors** safeguard the integrity of the state's correctional system. The department has 99 sworn law enforcement officers, two certified law enforcement analysts, and 41 certified correctional officer inspectors. Inspectors:
  - conduct criminal and administrative investigations into internal affairs involving department operations, contracts, staff, inmates, visitors, and volunteers;
  - ensure compliance with department rules and procedures;
  - track and direct recapture of fugitives from justice;
  - operate contraband interdiction;
  - provide critical intelligence and gang information to law enforcement agencies across the state and nation;
  - coordinate investigative efforts with FDLE and other law enforcement agencies;
  - work closely with prosecutorial entities to facilitate the prosecution of criminal cases; and
  - coordinate department activities as required by the **Florida Whistle-blower's Act**.

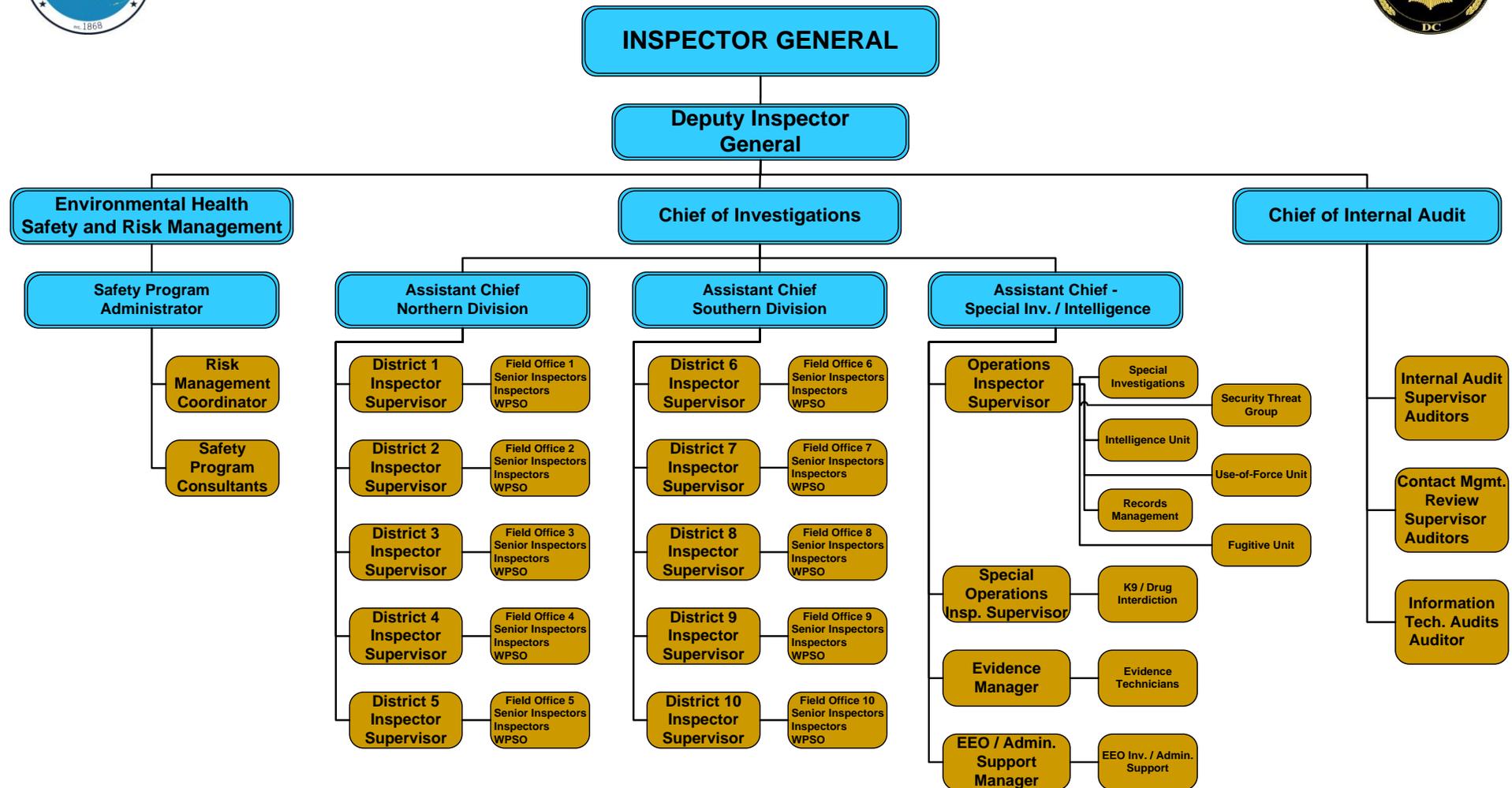
6. **Auditors** assess the efficiency and effectiveness of department programs and associated controls, measure compliance with laws and procedures, and serve to deter waste, fraud and abuse of department resources. Auditors:
- conduct compliance, performance and information technology audits in accordance with professional auditing standards and conduct reviews relating to department operations, contracts, staff, inmates, visitors and volunteers;
  - identify instances of fraud, abuse, and other deficiencies relating to department programs and operations, inform the Secretary of those conditions, recommend corrective action, and report on progress made in correcting deficiencies;
  - provide technical assistance with criminal and administrative investigations involving waste, fraud, or misappropriation of funds;
  - conduct contract management reviews to enhance accountability and oversight of the department's contracts for goods and services; and
  - serve as the department's liaison in coordinating audits and facilitating cooperation with external agencies including the Auditor General, Office of Program Policy Analysis and Government Accountability (OPPAGA) and Department of Financial Services.
7. **Environmental Health and Safety Officers** provide for the environmental health and safety of inmates, as well as department employees, volunteers and visitors. Areas of responsibility include:
- accompanying state fire protection specialists of the Division of State Fire Marshal during annual fire safety surveys;
  - conducting annual fire, environmental health and Occupational Safety and Health Administration (OSHA)-related safety inspections of new, renovated and current institutions, followed by the on-site verification of corrected violations;
  - conducting the environmental health, safety and risk management portion of the operational review process that is conducted every two years at all major correctional facilities;
  - conducting training sessions for Loss Control Management to include accident investigation, general safety awareness, damaged or lost property coverage, and a review of workers' compensation issues; and
  - receiving and processing all Risk Management claims, to include property damage, general liability, auto, boiler and machinery, and missing or damaged inmate property.

# Office of Inspector General Organizational Chart

The Office of Inspector General consists of two bureaus: Investigations and Internal Audit, and one unit: Environmental Health, Safety, & Risk Management.



## OFFICE OF THE INSPECTOR GENERAL



## Bureau of Investigations

### Investigations

The Bureau of Investigations is responsible for conducting criminal and administrative investigations and providing oversight of all use of force incidents. When completed, criminal investigations for which probable cause exists that a crime has occurred are referred to the appropriate prosecutorial entity for consideration for prosecution. When administrative investigations are completed, they are referred to management for appropriate follow-up action.

During the Fiscal Year 2014-15, the Office of Inspector General received approximately 63,832 incidents/complaints of which resulted in the opening of approximately 21,722 inquiries and investigations. The remaining incidents/complaints were referred back to the department's management team or other external entities for action deemed appropriate. The table below presents the numbers and types of cases the Office of Inspector General investigated:

Type of Case	Total Number Assigned
Administrative Cases	1,048
Criminal Cases	2,394
Death Investigations	421
Investigative Assists	302
Inquiries	9,179
Intelligence	1
Inquires – Use of Force	885
Management Reviews	4
Use of Forces	6,197
Whistle Blower Determinations	32
Contraband Interdiction Unit - Reports	1,259
<b>TOTAL</b>	<b>21,722</b>

Source: IGIS for 07/01/2014 to 06/30/2015.

## Use of Force Unit

Established in 1999, the Use of Force Unit is responsible for reviewing all incidents involving the use of force at state and private correctional facilities, and those involving probation officers. These reviews ensure compliance with established rules, procedures, and statutes.

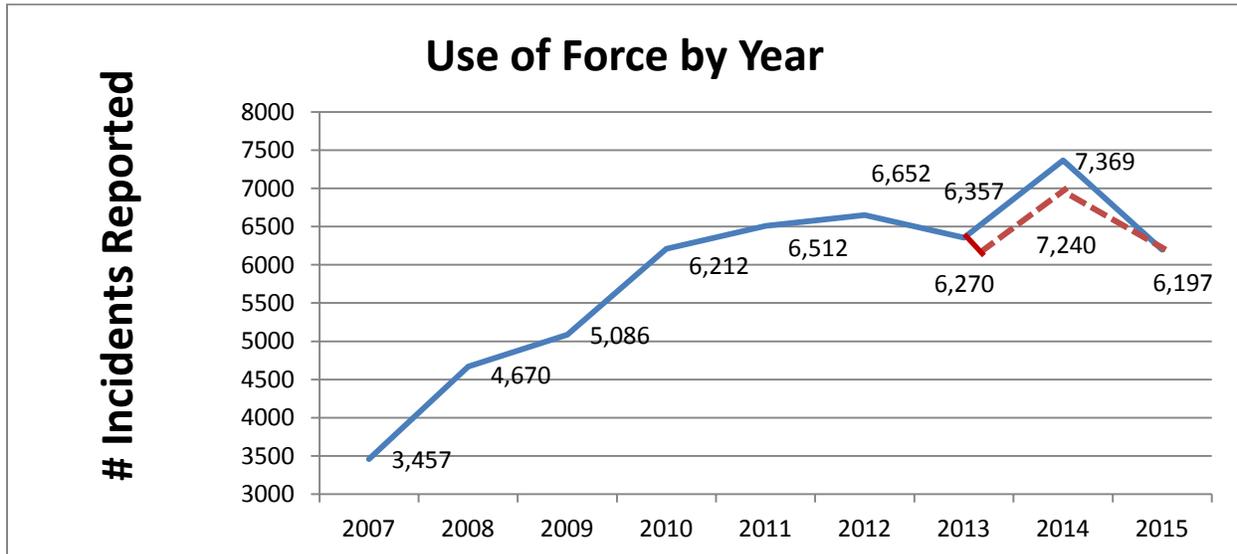
To accomplish this mission, the Use of Force Unit independently reviews and evaluates all use of force incident reports, associated documents, and videotapes as required from each correctional facility or office. Evidence indicating possible procedural violations, inmate abuse, excessive/improper/unauthorized force, or battery by staff is referred to Investigations.

Uses of force are classified as major incidents whenever weapons, the chemical agent Ortho-Chlorobenzalmalononitrile "CS", or electronic restraint devices are used, when force is used in a cell extraction, or when outside medical treatment is required for employees or inmates as a result of the use of force. Other physical contact with inmates, including use of the chemical agent Oleoresin Capsicum "OC", is classified as minor. The following chart reflects use of force incidents reported to the unit in Fiscal Year 2014-15.

Classification	Reason Force Was Used	Number
27A	Self Defense	661
27B	Escape/Recapture	3
27C	Prevent Escape During Transport	2
27D	Prevent Property Damage	73
27E	Quell a Disturbance	1,330
27F	Physical Resistance to a Lawful Command	2,826
27G	Prevent Suicide	826
27H	Restrain Inmate for Medical Treatment	80
27I	Cell Extraction	351
27J	Mental Health Restraint	18
27K	Probation & Parole Handcuffing	0
27O	Other	27
<b>TOTAL</b>		<b>6,197</b>

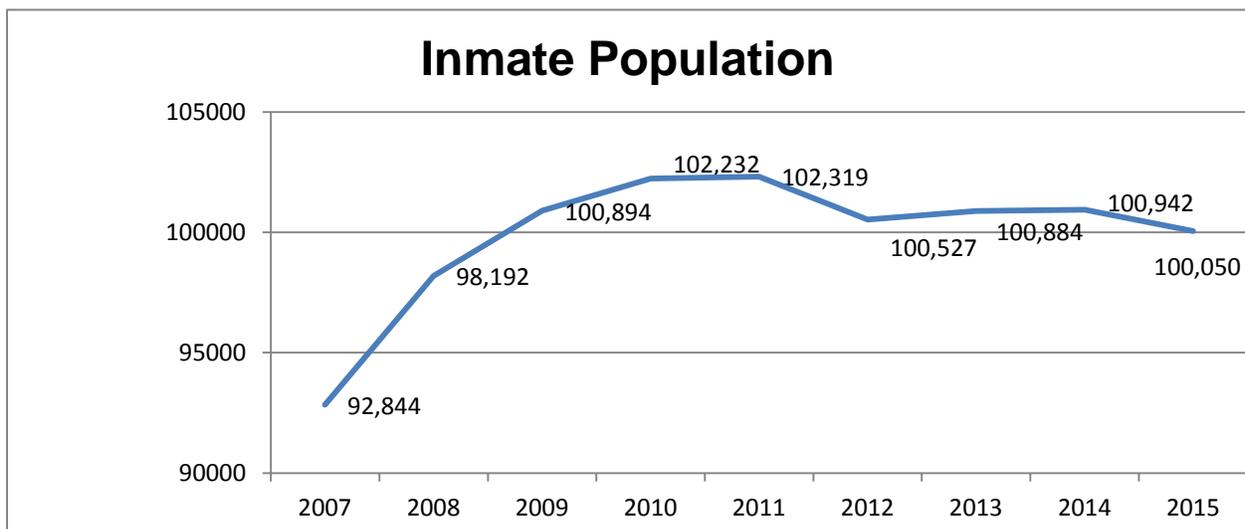
Source: IGIS for 07/01/2014 to 06/30/2015

The number of use of force incidents reported increased between Fiscal Year 2006-07 and Fiscal Year 2011-12, rising more than 90% in five years, along with the increase in inmate population. The number of use of force incidents decreased by 5.7% in Fiscal Year 2012-13. *The reduction in the use of force incidents was a result of change in Florida Administrative Code (F.A.C.). Effective December 16, 2012, Chapter 33-602-210, F.A.C. no longer required four/five point medical restraints without force to be reported as a use of force incident.*



Source: MINS and IGIS

As illustrated by these two charts, use of force incidents decreased approximately 14% in the Fiscal Year 2014-15, while the inmate population decreased less than 1% in the same period. *Please Note: The red dotted line in the above chart represents the actual number of use of force incidents reported for Fiscal Years 2012-13 and 2013-14. During the preparation of this annual report, it was discovered that use of force incidents were over reported in the two previous fiscal years.*



Source: Research and Data Analysis.

## **Intelligence Unit**

The Intelligence Unit collects, analyzes, and utilizes data from multiple internal agency and external sources, which provides information to support investigative operations and to identify trends, contraband introduction methods, officer safety issues, gang activities, and criminal activity on department property. Programmatic and investigative statistical information, as requested, is also provided to senior management. The Intelligence Unit provides information to outside law enforcement upon request and, via the Florida Fusion Center, serves as liaison with the Federal Bureau of Investigation (FBI) and the Department of Homeland Security. There are currently three certified law enforcement analysts within the department, all of which are staff in the Office of Inspector General.

The Intelligence Unit is responsible for preparation of information and intelligence products on varied topics, including investigative caseload analysis, drug seizure data analysis, cellular telephone, and other contraband seizure analysis. Performance measures and monthly reporting data are maintained and prepared by the unit in addition to publishing the monthly Intelligence Bulletin.

The Corrections Intelligence Initiative (CII) is a program sponsored by the FBI designed to assist correctional facilities in their efforts to detect, deter, and disrupt efforts by terrorist or extremist groups who are trying to radicalize or recruit among inmate populations. The CII facilitates the flow of domestic and homeland security information to the FBI. The Intelligence Unit has been responsible for the creation of intelligence products shared nationally via the Department of Homeland Security and for reporting in eGuardian, the FBI national intelligence sharing system. Intelligence Unit members are ad hoc members of the North Florida Joint Terrorism Task Force and the North Florida Regional Domestic Security Task Force. To further support the CII, the Office of Inspector General dedicates one full time position to the Joint Terrorism Task Force FBI's Miami field division.

## **Florida Fusion Center**

The Florida Fusion Center, located in Tallahassee, Florida, serves as Florida's primary fusion center responsible for the gathering, processing, analyzing, and disseminating terrorism, law enforcement, and homeland security information.

Intelligence Liaison Officers (ILOs) are vetted to participate in the fusion process and hold the appropriate security clearance with the Department of Homeland Security. The Office of Inspector General has three liaison officers with the Florida Fusion Center: two in the Intelligence Unit and one in the Security Threat Group/Gang Unit. The Intelligence Unit represents the department at the Florida Fusion Center and serves as primary point of contact for the Corrections Intelligence Initiative.

## Fugitive Unit



The Fugitive Unit, created in January 2007, is tasked to protect Florida's citizens by investigating escapes from state and private facilities. The unit tracks and locates the fugitive in question and coordinates with law enforcement to return the fugitive to custody. The Fugitive Unit provides criminal investigative assistance to other law enforcement agencies who may be seeking fugitives who have ties to Florida.

In June 2012, the department joined with the Florida Association of Crime Stoppers, the Office of the Attorney General, and the FDLE to make it easier for inmates, probationers, and members of the public to anonymously provide crime tip information to law enforcement. Prominent posters displaying the toll-free number to the Florida Association of Crime Stoppers are located in each correctional facility and probation office. The department also created a new public-access web page to highlight Florida's "Ten Most Wanted" felons and has posted the images and names of the worst of Florida's fugitives and absconders. The Florida Association of Crime Stoppers displays these same felons on public billboards and in other types of print and electronic media throughout Florida.

In the Fall of 2013, the Office of Inspector General dedicated a full-time inspector position to the United States Marshal Service. As a Special Deputy US Marshal, the inspector has become an integral part of the Florida Caribbean Regional Fugitive Task Force, training with them and working side-by-side to return violent felons and sex offenders to custody.

During Fiscal Year 2014-15 there were no successful escapes from within a secured fence at any of Florida's correctional institutions. There were four escapes from work camps of which three fugitives were captured almost immediately. The fourth was recaptured within 48 hours of escape.

In February of 2015, the Florida Department of Financial Services Division of Public Assistance Fraud Operations began working with the Fugitive Unit. The Division will be leveraging its technology by using its data systems to assist in locating State fugitives. This newest partnership provides potential intelligence information that may lead to the arrest of Florida's fugitives.

## Contraband Interdiction/Narcotic Canine Unit

The Contraband Interdiction Unit promotes a safer environment for employees, inmates, and visitors by detecting and discouraging the introduction of contraband such as weapons, cellular telephones, and narcotics. Interdiction inspectors conduct unannounced contraband searches with assistance from certified narcotic canine teams. During the interdictions, employees, visitors, volunteers, inmates, vehicles, and facility grounds are searched for contraband. Random interdiction operations and canine sweeps are conducted at all state and private prisons.



The Office of Inspector General operates 20 full-time canine teams comprised of 25 inspectors strategically located throughout the state. The teams participate in interdiction and search operations at prisons and other facilities statewide and provide narcotic canine support for other agencies, including the Federal Bureau of Prisons and local law enforcement agencies. The canine teams also work closely with institutional inspectors and provide investigative support.

Members of the Contraband Interdiction Unit participated in the United States Police Canine Association (USPCA) National Competition in Jackson, Mississippi. Inspectors Robert Herbrand and Jonathan Cox were invited to attend as a result of placing first and third, respectively, in the USPCA Regional Competition. Inspectors Herbrand and Cox, along with K-9's Ozzie and Bailey, placed 1st in the team competition. The inspectors also competed in the individual events. Inspector Cox and K-9 Bailey placed 1st in the overall individual competition, and Inspector Herbrand and K-9 Ozzie placed 8th.

The following table summarizes arrests and seizures generated by the Office of Inspector General's canine teams and interdiction operations during Fiscal Year 2014-15.

<b>K9/ Drug Interdiction Team Operations</b>	<b>FY 2014-15</b>
<b>Arrests:</b>	18
<b>Contraband Seized:</b>	
Tobacco (Grams)	80,880.7
<b>Drugs (grams)</b>	
Marijuana	549.2
Synthetic Cannabinoid	12,486.4
Cocaine	335.3
Other (Heroin and Meth)	63.2
Prescription drugs (dosage units)	255
<b>Weapons, Cell Phones, Money</b>	
Weapons	331
Cell Phones	702
Cell Phone Accessories	714
Cash (excessive or contraband)	3,806

Source: K9/ Drug Interdiction Unit

## Prison TIPS

The prison "TIPS" line was accessed over 11,000 times during Fiscal Year 2014-15. Phone calls made to the "TIPS" line are reviewed daily and the information provided is used to collect criminal intelligence for unsolved or ongoing criminal activity, both inside and outside of the department. The "TIPS" line also serves as the portal for Prison Rape Elimination Act (PREA) and fraud, waste, and abuse calls. Inmates, probationers, or any other callers that may have knowledge of these types of activities can use "TIPS" as an anonymous method to provide this information.

The "TIPS" line can be accessed from inmate phones within all department facilities or by a toll-free number (1-866-246-4412) from phones outside the facilities. Information provided by callers is reviewed and forwarded to the appropriate department staff or to the law enforcement agency having jurisdiction over the reported activity for appropriate handling.

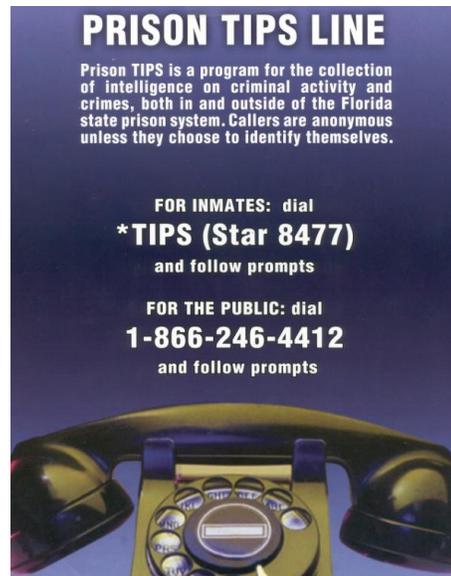
Callers have the option of establishing a voice mailbox, accessed by a unique pass code, which is provided upon the callers' request. The voice mailbox provides a mechanism to exchange messages and information from the caller and Office of Inspector General regarding the status of the information provided.

## Security Threat Intelligence Unit

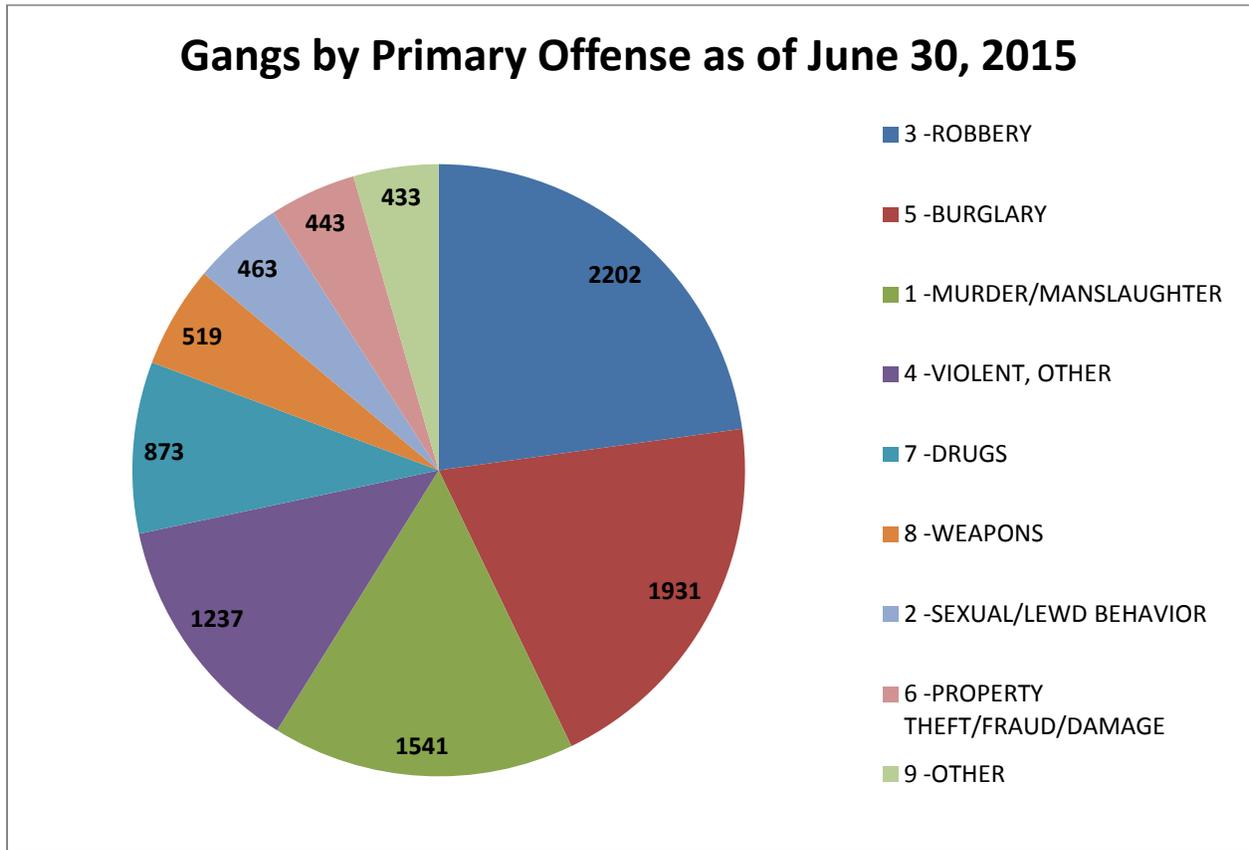
The Inspector General's Security Threat Intelligence Unit (STIU) consists of a Correctional Programs Administrator and a Correctional Services Consultant. They collect, analyze, and distribute intelligence related to criminal gang activity both within and outside the state correctional system. The STIU assists institutional staff by reviewing gang-related incidents as they occur in prison settings and making recommendations for relocating or restricting inmates based on their role in the incident.

The STIU not only assists local, county, state, and federal law enforcement agencies with identifying gang members, but also provides training to the community.

As of June 30, 2015, 9,642 of the department's 100,050 inmates (9.64%) were identified as gang members. Another 2,317 of the department's probationers have been identified as gang members.

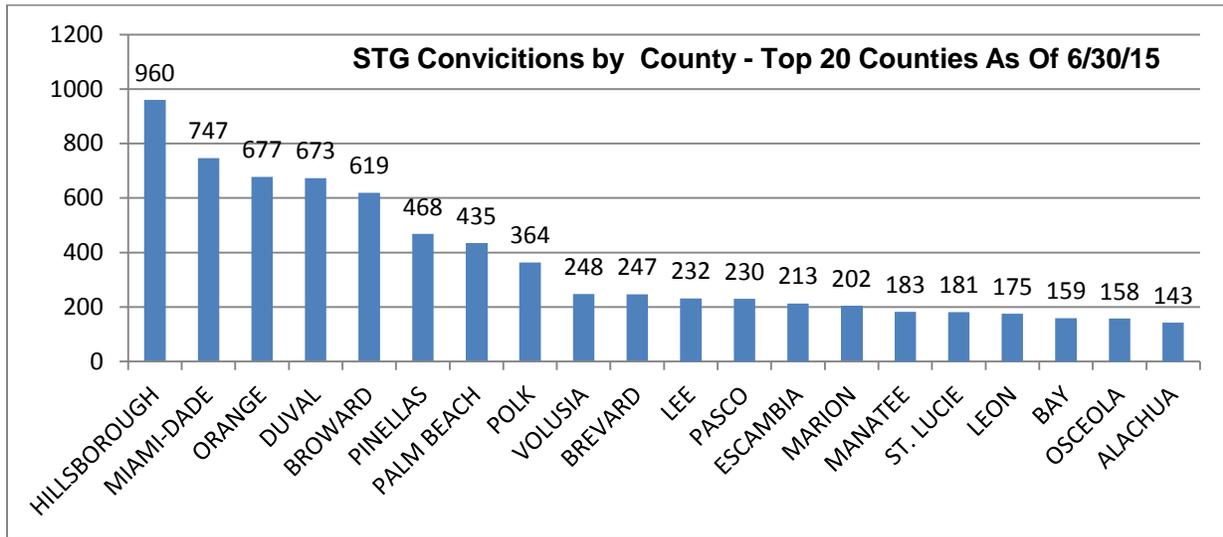


The primary offense for gang members incarcerated is robbery, followed by burglary, murder/manslaughter, violent crimes, drugs, weapons, sexual/lewd behavior and property theft/fraud/damage. (See chart below)



Source: Security Threat Intelligence Unit

Each year, gang members are sentenced to the department's custody from each of Florida's 67 counties. The top 20 counties as of June 30, 2015, are depicted in the table below:



Source: Security Threat Intelligence Unit

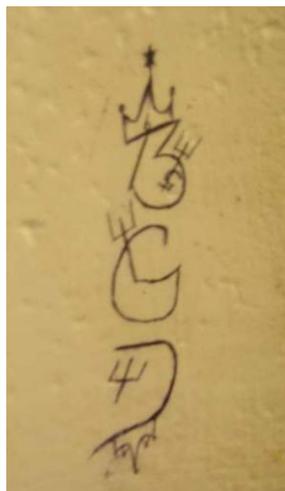
During Fiscal Year 2014-15, the STIU reviewed approximately 52,000 incident reports in which over 9,000 of those incidents had an STIU member involved in some manner. The STIU received over 200 emails and phone calls per month from department staff, law enforcement, college students, and concerned parents regarding gangs.

The STIU sent out more than 3,000 notices to law enforcement agencies, informing them of pending releases of gang members from department custody back into their communities. The STIU also notifies law enforcement agencies monthly of gang members who are serving terms of probation in their jurisdictions.

Some gang tattoos and graffiti that identity gang members are displayed below:



**White Supremacist**

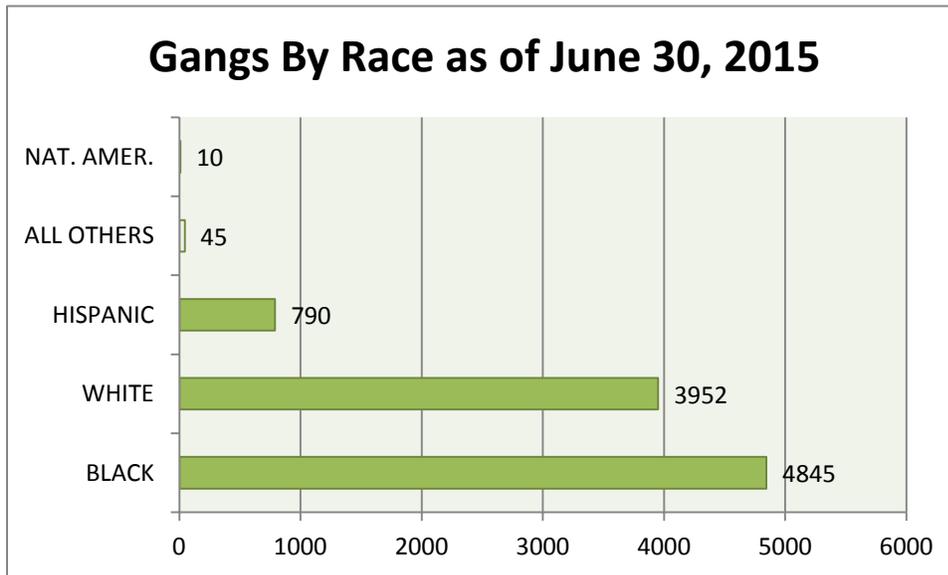


**Black Gangster Disciple**



**Zoe Mafia**

Below is a chart showing the number of gang members by race as of June 30, 2015.



Source: Security Threat Intelligence Unit

### EEO Investigative Unit

The Office of Inspector General's Equal Employment Opportunity (EEO) Investigative Unit is responsible for examining alleged violations of Title VII of the Civil Rights Act, Chapter 60L-36.004, Florida Administrative Code, and Chapter 110, Florida Statutes. EEO complaints are received through several channels, including the department's internal complaint procedure, the Florida Commission on Human Relations (FCHR), and the Equal Employment Opportunity Commission (EEOC). The EEO Investigative Unit is staffed by an Operations & Consultant Manager. EEO complaints are referred to appropriate staff for investigation.

During Fiscal Year 2014-15, 133 EEO complaints were investigated originating from the following sources:

FY 2014-15 EEO Complaints Filed	
Number	Complaint Source
46	Internal Department Process (formal and informal)
28	FCHR – includes whistle blowers
59	EEOC

Source: Civil Rights/EEO

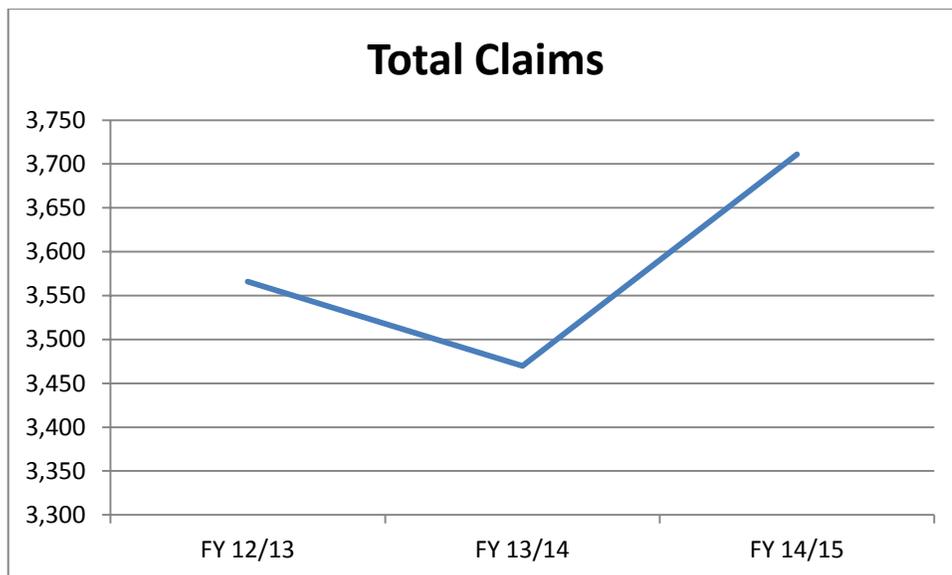
## Whistle-blower Unit

The Whistle-blower Unit is the designated liaison between the Chief Inspector General's Office and Office of Inspector General. The Whistle-blower Unit coordinates and conducts Whistle-blower investigations pursuant to Florida law. During Fiscal Year 2014-15, the Whistle-blower Unit processed 32 Whistle-blower cases.

## Environmental Health, Safety, & Risk Management

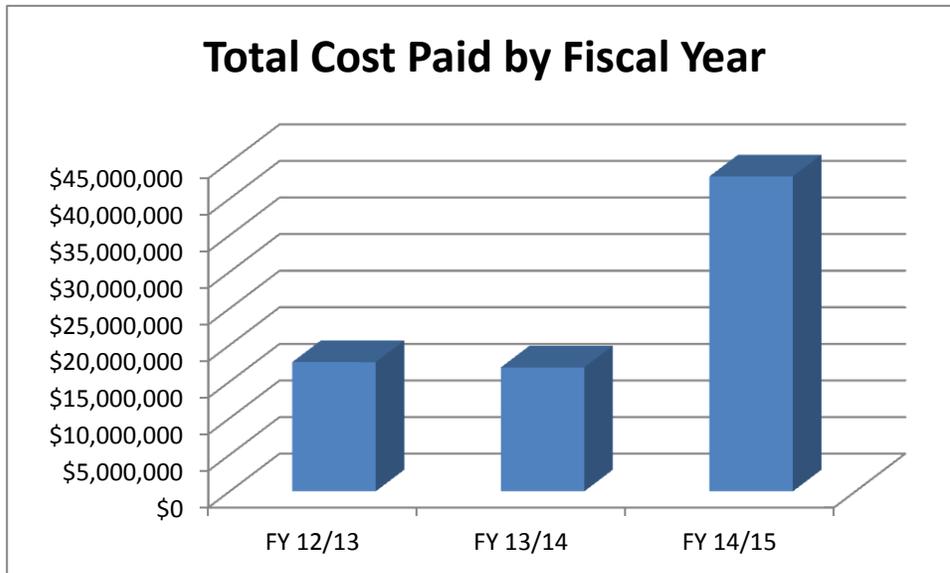
Due to its unique mission, the Florida Department of Corrections must provide for the environmental health and safety of incarcerated felons, as well as its own employees, volunteers, and visitors. The department has a formal risk management program on file with the Division of Risk Management. The program is implemented by the Department's Environmental Health and Safety Manual. The goal of the Environmental Health and Safety Program is to reduce the frequency and severity of accidents through training administrative guidelines, and aggressive promotion of safe work practices. Adherence to established health and safety guidelines is one of the most important responsibilities of every employee and inmate.

The following table displays claims reported for coverage types of claims paid during the Fiscal Years 2012-13, 2013-14 and 2014-15. In Fiscal Year 2014-15, the department total claims reported increased by 6.95% compared to the previous fiscal year. This increase is due largely to a change in the new operating system used by Department of Financial Services, Orgami Claim Management System, which is capturing claim totals that were not previously reported by the department. The Orgami Claim Management System was implemented in March of 2015.



Source: Office of Environmental Health, Safety, & Risk Management

The total paid costs (Worker's Compensation, General Liability, Federal Civil Rights, Automobile Liability, and Malpractice) by Fiscal Year for the last three fiscal years are displayed below and demonstrate an increase in total costs from the previous fiscal year. This increase in costs is due to a change in the reporting procedure to give a more accurate representation of total dollars paid during the fiscal year. The numbers reported in Fiscal Years 2012-13 and 2013-14 reflect the number of claims that were submitted and paid in that fiscal year. The number reported for Fiscal Year 2014-15 includes all claims paid regardless of the fiscal year the claim was submitted.



Source: Office of Environmental Health, Safety, & Risk Management

## Bureau of Internal Audit

### Mission

The mission of the Bureau of Internal Audit is to support the Secretary and the department by ensuring:

1. established objectives and goals are met;
2. resources are used consistent with laws, regulations, and policies;
3. resources are safeguarded against waste, loss, and misuse; and
4. reliable data is obtained, maintained, and fully disclosed.

## **Goals**

The Bureau of Internal Audit's primary purpose is to proactively assist management in successfully meeting the department's mission and established objectives. To meet its purpose, the Bureau of Internal Audit has four key goals:

1. perform quality audits, reviews, studies, and investigations;
2. report results to management in a timely manner;
3. ensure department resources are used efficiently; and
4. provide adequate audit/review coverage to mitigate risks.

## **Bureau Organization and Responsibilities**

The Bureau of Internal Audit comprises two sections: (1) Internal Audit and (2) Contract Management Review. These sections report to the Bureau Chief, a Certified Internal Auditor, who functions as the Director of Auditing. The Bureau of Internal Audit conducts compliance, performance, and information technology audits and contract reviews pursuant to Section 20.055, Florida Statutes. Audits are conducted in accordance with the current *International Standards for the Professional Practice of Internal Auditing* published by the Institute of Internal Auditors.

The internal audit staff possesses accounting and auditing experience, including information technology auditing experience. Staff members are required to maintain professional proficiency through continuing education and training. Staff are active in the following professional organizations, Institute of Internal Auditors, Information Systems Audit and Control Association, and Association of Inspectors General.

## **Internal Audit Section**

This section employs an audit supervisor and four auditors who perform compliance and performance audits and reviews, and one auditor who performs information technology audits. Staff certifications include two Certified Internal Auditors, two Certified Public Accountants and two Certified Government Auditing Professionals.

## **Projects Completed by Compliance/Performance/IT Section**

During Fiscal Year 2014-15, the Internal Audit section completed thirteen audits, twelve follow-up audits, and one review as listed in the following table by report date.

**FY 2014-15 Audit Reports and Reviews**

<b>Report Number</b>	<b>Project Title</b>	<b>Report Date</b>
A14017	Audit of Inmate Release Gratuity – Gulf CI	8/14/14
A15002	Audit of Employee Benefit Trust Fund – Jefferson CI	8/28/14
A14005	Audit of User Access – Local Area Network (LAN)	9/11/14
A15008F	Follow-up of Auditor General Report #2014-184	10/9/14
A14016	Audit of Greyhound Bus Contracts C2764 and C2618	10/28/14
A14020F	Follow-up of Audit of Worker’s Compensation	10/30/14
A14021F	Follow-up of Audit of Employee Travel – Probation Officers	11/6/14
A15001	Audit of DC Memorandum of Understanding with DHSMV – DAVID	11/12/14
A15007	Audit of Inmate Release Gratuity – Apalachee CI	11/25/14
A15009F	Follow-up of Enterprise Audit of Contract Monitoring	12/9/14
R15013	Review of Employee Benefit Trust Fund – Holmes CI	1/9/15
A15004	Audit of Microsoft Windows and Access Software	2/17/15
A15024F	Follow-up Audit of DC Purchasing Card Program	3/3/15
A15025F	Follow-up of Audit of Quarterly Performance Measures Reported to the Executive Office of the Governor	3/4/15
A15019F	Follow-up of Audit of Entering and Exiting DC Institutions	3/31/15
A15018	Audit of Employee Benefit Trust Fund – Columbia CI	4/1/15
A15023F	Follow-up of Audit of Pharmacy Drug Inventory	4/2/15
A15022F	Follow-up of Audit of Arsenal and Ready Room Equipment	4/9/15
A15020F	Follow-up of Audit of DC Reception Classification Process/Inmate Orientation	4/14/15
A15014F	Follow-up of Auditor General Report # 2014-202	5/6/15
A15016	Audit of Performance Measure – Percentage of Inmates Who Successfully Complete GED Education Programs	5/7/15
A14022F	Follow-up of Audit of Data Backup and Recovery	6/2/15
A15006	Audit of Key Control and Locking Systems	6/9/15
A15010	Audit of User Access – Management Information Notification System	6/10/15
A15005	Audit of Prison Rehabilitative Industries and Diversified Enterprises, Inc. (PRIDE) – Accounts Receivable	6/16/15
A15029	Audit of Performance Measure – Percentage of Healthcare Grievances that are Upheld	6/17/15

Source: Bureau of Internal Audit

## Audit Reports

The Bureau of Internal Audit views its audit mandate as an opportunity to not only identify deficiencies and problems with statewide impact, but also to identify areas that are well designed and are meeting management's goals. Reports (with the exception of those deemed confidential) conducted by the Bureau of Internal Audit in Fiscal Year 2014-15 included:

### Audit of Inmate Release Gratuity at Gulf Correctional Institution

Audit staff found the inmate release gratuity cash on hand was properly stated on the day of the visit, and inmate release gratuity disbursements for the scope period were made in accordance with the applicable FDC procedures. Internal controls have been established for the inmate release gratuity fund; however, audit staff identified two issues that warrant management's attention.

**Finding:** The Release Voucher/ Receipt, DC2-313, did not always reflect signed receipt in the chain of custody when the discharge gratuity (cash) was passed from one individual to another.

**Finding:** The quarterly review conducted by the regional accounting staff failed to identify an issue of non-compliance.

### Employee Benefit Trust Fund Audit at Jefferson Correctional Institution

At the time of the visit, audit staff found the cash on hand was accounted for and intact. Audit staff also found, in general, internal controls over cash receipts were adequate to prevent, deter, and detect fraud; however, two issues were identified that warrant management's attention.

**Finding:** Canteen proceeds were not collected in a timely manner.

**Finding:** The reviewer did not initial the Daily Sales Reports, DC2-319, and did not consistently initial the validated deposit slips as required by the procedure.

### Audit of Greyhound Bus Contracts C2764 and C2618

Audit staff found that the department is receiving the services from Greyhound as stipulated in the contract; however, issues relating to contract payments and monitoring were identified and warrant management's attention.

**Finding:** Bureau of Admissions and Release does not ensure the prices charged to the department are the same rates as those charged to all citizens of the State of Florida.

**Finding:** Bureau of Admissions and Release staff could not provide documentation to demonstrate their monitoring of contractor performance as required by Department Procedure 205.013.

### Audit of Inmate Release Gratuity at Apalachee Correctional Institution

On the day of visit, audit staff found the inmate release gratuity on hand was properly stated. In addition, internal controls have been established for the inmate release gratuity fund; however, audit staff identified two deficiencies that warrant management's attention.

**Finding:** The Release Voucher/Receipt, DC2-313, did not always reflect signed receipt in the chain of custody when the discharge gratuity (cash) was passed from one individual to another.

**Finding:** The quarterly review conducted by the regional accounting staff failed to identify an issue of non-compliance.

### Audit of Microsoft Windows and Access Software

Audit staff found for the computers tested, licenses support the Microsoft Windows and Access software installed on department-owned computers. In addition, audit staff found that the Office of Information Technology has implemented internal controls relating to software inventory and licenses. However, audit staff identified one issue relating to the software inventory and an "other observation" relating to the inability to access the current Procedure 206.005 and the Proprietary Software Acknowledgement, DC2-605, that warrant management's attention.

**Finding:** Software inventory is not always updated when users change positions or computers and when computers are replaced.

### Employee Benefit Trust Fund Audit at Columbia Correctional Institution

At the time of the visit, audit staff found no cash on hand to be counted because it had been collected and deposited into the local bank. From the review of related documentation, audit staff found cash proceeds were collected and deposited as required, and bank reconciliations were performed. Audit staff determined that internal controls over cash receipts were adequate to prevent, deter, and detect fraud. This audit did not identify any deficiencies; therefore, no findings and recommendations were presented in this audit report.

### Audit of Performance Measure – Percentage of Inmates Who Successfully Completed GED Programs

Audit staff found that internal controls and data collecting and reporting mechanisms over the GED education performance measure need enhancement as presented in the following finding:

**Finding:** Bureau of Research and Data Analysis does not accurately calculate the percent of inmates who successfully complete GED education programs.

## Audit of Prison Rehabilitative Industries and Diversified Enterprises, Inc. (PRIDE) – Accounts Receivable

Audit staff found that the billing and payment processes for PRIDE Accounts Receivable are timely. In addition, internal controls exist and are adequate in that the Regional Finance and Accounting personnel prepares the PRIDE invoices; Central Office Bureau of Finance and Accounting records the invoices on a tracking form and reconciles the invoice and payment amounts to the Florida Accounting Information Resource (FLAIR) Accounts Receivable subsidiary ledger on a monthly basis. However, one issue was identified that warrants management's attention.

**Finding:** Audit staff could not determine whether the billing process for PRIDE Accounts Receivable was accurate.

## Audit of Performance Measure – *Percentage of Healthcare Grievances that Are Upheld*

Audit staff found that management and internal controls over the Health Services' Program performance measure, "*percentage of health care grievances that are upheld,*" are adequate to ensure the integrity of the results reported, and the data collecting and reporting mechanisms in place are sufficient to ensure the validity of the reported metrics. Specifically, audit staff found that the health care grievances were:

- tracked using IGLOGS;
- classified as health-care related in the IGLOGS system;
- properly coded as upheld or not upheld in the tracking system; *and*
- properly included in the calculation of the measure, based on the dates the grievances were entered into the tracking system and the dates reflected on the supporting documentation.

This audit did not identify any deficiencies.

## **Contract Management Review Section**

The Contract Management Review (CMR) Section employs an audit supervisor and three auditors. In Fiscal Year 2014-15, the CMR section completed ten contract management reviews and eight follow-up reviews listed in the following table by report date.

FY 2014-15 CMR Reports and Reviews		
Report Number	Project Title	Report Date
CMR14011	Goodwill Industries-Suncoast, Inc.	7/22/14
CMR14013	Advanced Systems Design	8/11/14
CMR14016	Marquis Software Development	8/12/14
CMR14017	Unlimited Path of Central Florida	8/19/14
CMR15002F	Pride Enterprises Follow-Up	8/28/14
CMR15003F	Florida Power & Light Services, LLC Follow-Up	9/4/14
CMR15005F	Tallahassee Community College Follow-Up	9/23/14
CMR14014	Bridges of America-The Jacksonville Bridge, Inc.	10/16/14
CMR14015	Bridges of America-Turning Point Bridge, Inc.	10/29/14
CMR15010	Horizon Communities Corp.	11/6/14
CMR15001	3M Electronic Monitoring	12/17/14
CMR15004F	Simplex Grinnell LP Follow-Up	1/22/15
CMR15006	RLT Corp Software Development Services	1/29/15
CMR15015F	Time For Freedom, Inc. Follow-Up	3/25/15
CMR15018F	The Thoroughbred Foundation Follow-Up	3/26/15
CMR15016F	Unlimited Path of Central Florida Follow-Up	6/10/15
CMR15017F	Non-Secure Programs, Inc. Follow-Up	6/11/15
CMR15012	Transition House, Inc.	6/16/15

Source: Bureau of Internal Audit

## Contract Management Review Reports

### Goodwill Industries - Suncoast, Inc. Contract C2495

Contract Management Review staff found that the department had not always ordered the Family Dependent deduction as required by the contract. However, this finding was discovered in a previous Contract Management Review, CMR14010. Program Management's response for the previous review stated that they will distribute correspondence to all vendor operated centers advising them to review all inmates assigned to their centers to ascertain whether or not dependent deductions are appropriate. Therefore, the finding and recommendation will not be repeated in this report. Our review did not disclose any other deficiencies warranting management's attention.

### Advanced Systems Design Contract C2476

The review indicated the department contract management staff was generally compliant with monitoring requirements as noted in the report. However, a deficiency was found regarding the development of a monitoring tool as required by department procedure. Also, in violation to contract stipulations, an individual possessing a temporary work visa is providing services under the contract.

**Finding:** The Bureau of Systems Development has not developed a monitoring tool as required by department procedure.

**Finding:** Contract management staff has not enforced contract terms relating to the use of vendor staff with temporary work visas.

### Marquis Software Development Contract C2478

The review indicated the department contract management staff was generally compliant with monitoring requirements. However, a deficiency was found regarding the development of a monitoring tool as required by department procedure.

**Finding:** The Bureau of Systems Development has not developed a monitoring tool as required by department procedure.

### Unlimited Path of Central Florida, Inc. Contract C2560

Based on documents and activity reviewed, auditors determined the Bureau of Transition and Substance Abuse Treatment Services effectively verified and monitored services. This contract management review did not identify any deficiencies; therefore, no findings and recommendations were presented in this report.

### Bridges of America - The Jacksonville Bridge, Inc. Contract C2447

Contract Management Review staff found that the department had not always ordered the Family Dependent deduction as required by the contract. However, this finding was discovered in a previous Contract Management Review, CMR14010. Program Management's response for the previous review stated that they will distribute correspondence to all vendor operated centers advising them to review all inmates assigned to their centers to ascertain whether or not dependent deductions are appropriate. Therefore, the finding and recommendation will not be repeated in this report. Our review did not disclose any other deficiencies warranting management's attention.

### Bridges of America, Inc. – Turning Point Bridge Contract C2205

Subsistence amounts charged to inmates agreed with the amount stipulated in the contract. Inmate accounts had the required savings with one minor exception. One deficiency was found warranting management's attention.

**Finding:** Court Ordered Payments have not always been deducted from inmate trust fund accounts as required.

### Horizon Communities Corp. Contract C2756

Based on documents and activity reviewed, auditors determined the Bureau of Chaplaincy Services effectively verified and monitored services. In accordance with applicable requirements, the contract management utilized a contract-specific monitoring tool, maintained a contract manager's file, completed required contract management training, conducted background checks, computed performance measures, and performed annual Comprehensive Program Evaluations and site visits. Additionally, the contract management utilized a post-audit process for verifying invoices. Our review did not disclose any deficiencies warranting management's attention.

### 3M Electronic Monitoring Contract C2745

Contract Management Review staff determined that service was rendered as required by the contract; delivery of contracted services was effectively verified and properly monitored; and compensation terms were in accordance with contract terms and were properly documented. The review did not disclose any deficiencies warranting management's attention.

### RLT Corp Software Development Services Contract C2474

Contract Management Review staff found that service is rendered as required by the contract and contract payments are made in accordance with contract terms. However, a deficiency was identified with contract monitoring.

**Finding:** Bureau of Systems Development has not performed all required monitoring.

Transition House, Inc. Contract C2804

The review focused on the inmate trust funds managed by The Transition House. Contract Management Review staff identified nine areas of noncompliance that warranted management's attention.

**Finding:** The department has not always ordered family dependent deductions.

**Finding:** Transition House has not ensured that all inmate funds were deposited into its trust account.

**Finding:** Transition House did not ensure that all inmates had required savings.

**Finding:** Transition House sometimes overcharged inmates for subsistence.

**Finding:** Transition House did not always disburse savings to inmates at the time of release.

**Finding:** Transition House overcharged and undercharged some inmates for court ordered payments.

**Finding:** Transition House has not made court ordered payments remittances to the department timely.

**Finding:** Transition House undercharged inmates for service fees on weekly cash draws.

**Finding:** Transition House did not provide the inmate trust fund account report timely.

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