




**State of Florida
Department of Children and Families**

Rick Scott
Governor

Rebecca Kapusta
Interim Secretary

DATE: October 18, 2018

TO: Rebecca Kapusta
Interim Secretary

FROM: Keith R. Parks 
Inspector General

SUBJECT: Corrective Action Status Report for Auditor General Report No. 2018-189,
*State of Florida - Compliance and Internal Controls Over Financial
Reporting and Federal Awards*

In accordance with § 20.055(6)(h), Florida Statutes, attached is the corrective action status report for Auditor General Report No. 2018-189, *State of Florida - Compliance and Internal Controls Over Financial Reporting and Federal Awards*. The purpose of the status report is to keep you informed on the progress made by the Department in implementing corrective actions recommended in the audit report.

The Office of Financial Management and Office of Economic Self-Sufficiency status updates for Findings 2017-032 and 2017-033, respectively, indicates corrective action has been fully corrected. The status updates provided by Information Technology Services for Finding 2017-034 and the Office of Economic Self-Sufficiency for Findings 2017-035, 2017-036, and 2017-040 indicates corrective action has been partially corrected.

If I may be of further assistance, please let me know.

Attachment

KRP/SM/ej

cc: Eric Miller, Chief Inspector General, Executive Office of the Governor
Jessica Sims, Chief of Staff
Kathy DuBose, Staff Director, Joint Legislative Auditing Committee

1317 Winewood Boulevard, Tallahassee, Florida 32399-0700

Mission: Work in Partnership with Local Communities to Protect the Vulnerable, Promote Strong and Economically Self-Sufficient Families, and Advance Personal and Family Recovery and Resiliency



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**OIG – Internal Audit
Corrective Action Status Report
State of Florida - Compliance and Internal Controls
Over Financial Reporting and Federal Awards
Auditor General Report No. 2018-189, Issued March 30, 2018
As of October 5, 2018**

Finding No.	Program/Area	Brief Description	Status of Finding	Comments (Include <i>reason for recurrence</i> and planned corrective actions)
2017-032	Financial Management	The FDCF did not conduct reconciliations between the data included in the accounting systems used by the FDCF and the data included in Community-Based Care (CBC) organization records to ensure the accuracy of TANF and other child welfare program data reported by the FDCF.	(A) Fully Corrected	Created comprehensive written reconciliations procedures that address all actions performed to ensure reconciliations support federal grant expenditures.
2017-033	Economic Self-Sufficiency	The FDCF did not timely obtain an adequate examination by an independent auditor of the transaction processing performed by the service organization regarding the issuance, redemption, and settlement of WIC and TANF program benefits.	(B) Fully Corrected	On February 19, 2018, the Department implemented an agreement with its EBT vendor that ensures independent audits will cover the entire period (365 day) since the previous audit period.

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2017-034	Information Technology Services	Information technology controls for the Florida Online Recipient Integrated Data Access (FLORIDA) System disclosed in our information technology operational audit report No. 2017-009, need improvement.	(C) Partially Corrected	<p>The draft of the "Florida User Guide" was in review and the ACCESS FLORIDA form was in revision. The pilot stage of the new "User Account Verification Application" had begun, with plans to move into the implementation phase in September 2018. Upon completion, the expectation is that use of the application will help toward fully addressing this finding.</p> <p>The pilot stage of the new "User Account Verification Application" has begun with plans to move into the implementation phase in September 2018. When completed, we expect that use of the application will address this finding.</p> <p>Completed August 31, 2017, the Centers for Medicare & Medicaid Services (CMS) Security Assessment Report(SAR) for the ACCESS system provided an evaluation for Minimum Acceptable Risk Standards for Exchanges (MARS-E) 2.0 purposes. In the Spring 2018, the Florida Legislature allocated \$4.5 million to the Department for a remediation project to support MARS-E 2.0 compliance.</p>
2017-035	Economic Self-Sufficiency	The FDCF did not retain all Income Eligibility and Verification System (IEVS) data exchange responses and, consequently, could not demonstrate compliance with Federal IEVS data exchange requirements. In addition, the FDCF did not always timely process IEVS data exchange responses.	(B) Partially Corrected	<p>The Department is still exploring the following options:</p> <ul style="list-style-type: none"> • The creation of a tolerance for the timely completion of data exchanges (DEs). • An allowance to forgo the review of certain IEVS DEs.
2017-036	Economic Self-Sufficiency	The FDCF could not always demonstrate that Florida Department of Revenue (FDOR) Child Support Enforcement (CSE) sanction requests for uncooperative TANF recipients were received and reviewed or that sanctions were appropriately imposed.	(B) Partially Corrected	<p>The system enhancement to create child support data exchanges (DECS) for child support sanction requests received for individuals who do not have a valid SSN (including no SSN) will be implemented in December 2018.</p> <p>On April 18, 2018, the Department implemented a workaround process, which requires staff at the local level to take action on the sanction requests for these individuals to ensure they are appropriately imposed.</p>

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2017-040	Economic Self-Sufficiency	The FDCF did not always document that Medicaid recipients met eligibility requirements.	(B) Partially Corrected	<p>Continuation of benefits beyond the eligibility period:</p> <ul style="list-style-type: none"> • In June 2017, the Department implemented the Auto Action Changes process, which automatically closes, or ex partes individuals who are no longer eligible for their current Medicaid coverage group. This process applied only to the current month. • In April 2018, the Department implemented the next phase in which the Auto Action/End of Review Period process closes Medicaid assistance groups for past month review periods. The final phase was implemented in May 2018, which consisted of closing Medically Needy coverage groups. <p>Assignment of rights for third party liability:</p> <ul style="list-style-type: none"> • A question addressing third party liability was added to the interview template with a soft launch on June 26, 2018. • The training postcards will be released upon the hard launch of the interview template.

Name and Title of Responsible Official(s)

- (A) Barney Ray, Financial Administrator
- (B) Curtiss Williams, Operations Review Specialist
- (C) Kit Goodner, ACCESS Application Services Director