



**State Board of Education**

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**Manny Diaz, Jr.**  
**Commissioner of Education**

October 24, 2022

Melinda Miguel  
Chief Inspector General  
Office of the Chief Inspector General  
The Capitol  
Tallahassee, Florida 32399-0001

Dear Ms. Miguel:

In accordance with Section 20.055(6)(h), Florida Statutes, attached is the six month status of corrective actions taken in response to Auditor General Report #2022-189, State of Florida Compliance and Internal Controls Over Financial Reporting and Federal Awards.

If you have any concerns regarding this status report, please contact Mike Blackburn by phone at 850-245-9418 or by email at [mike.blackburn@fldoe.org](mailto:mike.blackburn@fldoe.org).

Sincerely,

  
Manny Diaz, Jr.

Attachment

cc: Mike Blackburn, Inspector General  
Suzanne Pridgeon, Deputy Commissioner, Finance and Operations  
Mari Presley, Assistant Deputy Commissioner, Finance and Operations  
Legislative Auditing Committee

Department of Education  
Office of the Inspector General – Internal Audit  
Six-Month Status Report on: State of Florida Compliance and Internal Controls Over Financial Reporting and Federal Awards  
Report #2022-189 Issued: March 30, 2022  
Status as of September 30, 2022

**Program Title: Career and Technical Education – Basic Grants to States English Language Acquisition State Grants, and Education Stabilization Fund – Governor’s Emergency Education Relief Fund, Elementary and Secondary School Emergency Relief Fund, and Coronavirus Response and Relief Supplemental Appropriations Act, 2021 – Emergency Assistance for Non-Public Schools (CRRSA EANS)**

**FDOE Response as of September 30, 2022:**

**Finding 2021-045:** FDOE change management controls need improvement to ensure that only authorized, tested, and approved Florida Grants System (FLAGS) program code changes are implemented into the production environment.

**Recommendation:** We recommend that FDOE management enhance change management controls to ensure that all changes to FLAGS are recorded in the ticketing system and do not by bypass the FDOE change management process.

**Response as of March 30, 2022:** FDOE utilizes a formal Information System Development Methodology (ISDM) framework to guide the departmental software development lifecycle. FDOE’s ISDM outlines the process for planning, defining, designing, building, testing, deploying, and monitoring code changes. FDOE will implement a reconciliation process and realign all IT staff/procedures within Division of Technology and Innovation to ensure that only approved changes are implemented in production environments.

**Anticipated Completion Date & Contact: October 31, 2022; Andre Smith**

FDOE is testing a Systems Configuration Management module that will allow tracking of configuration changes in near real-time and will use that to reconcile changes against our change management and ticketing system.

**Program Title: English Language Acquisition State Grants (ELAG) and Education Stabilization Fund (ESF) – Governor’s Emergency Education Relief Fund, Elementary and Secondary School Emergency Relief Fund, and Coronavirus Response and Relief Supplemental Appropriations Act, 2021 – Emergency Assistance for Non-Public Schools (CRRSA EANS)**

**FDOE Response as of September 30, 2022:**

**Finding 2021-046:** The FDOE could not provide records from the Federal Funding Accountability and Transparency Act Subaward Reporting System (FSRS) demonstrating that subawards were timely reported with the information required by the Federal Funding Accountability and Transparency Act (FFATA).

**Recommendation:** We recommend that the FDOE enhance FLAGS data reporting controls to ensure and demonstrate that all required data is accurately and timely reported in the FSRS.

**Response as of March 30, 2022:** The Department does not concur with this finding. Throughout FY2020-21, FDOE uploaded monthly reports to the FSRS system within the federally required timeframes. In April 2021, FDOE became aware that FSRS was designed for monthly activity reporting and not cumulative monthly reporting that FDOE had been providing.

**Department of Education**

**Office of the Inspector General – Internal Audit**

**Six-Month Status Report on: State of Florida Compliance and Internal Controls Over Financial Reporting and Federal Awards**

**Report #2022-189 Issued: March 30, 2022**

**Status as of September 30, 2022**

From April through November 2021, FDOE worked with USED on a solution to replace the monthly cumulative reports with monthly activity reports. On November 5, 2021, USED deleted the following sampling of cumulative reports in FSRS:

S425D210052 – 4 FFATA reports

S425D200052 – 6 FFATA reports

S425C200025 – 7 FFATA reports

During this same time FDOE was enhancing its FLAGS system to generate monthly activity reports instead of monthly cumulative reports. This enhancement was completed in January 2022. In February 2022, FDOE started the process of replacing the deleted cumulative reports with the monthly activity reports. During the Auditor General's (AG) fieldwork in December 2021, FDOE and the AG both discovered that when USED deletes files from FSRS, the history (of when the original files were uploaded) is not maintained in FSRS. FDOE provided the AG evidence of its communications with USED from April 2021 through January 2022 demonstrating its efforts to replace cumulative reports with monthly activity reports in FSRS. FDOE provided the AG access to the reports that were uploaded to FSRS and subsequently deleted to correct errors. FDOE does not agree that this finding warrants a Disclaimer of Opinion which suggests material and pervasive misstatements in its financial statements because the AG has elected not to review the monthly reports that FDOE stated were uploaded to FSRS in FY 2020-21, but subsequently deleted in November 2021 and reloaded in February 2022. FDOE informed the AG that some of the reports uploaded in FY2021-22 will also need to be deleted and reloaded with monthly activity data. Since FSRS does not maintain a history of original upload dates, FDOE inquired with the AG if this would warrant a repeat finding in FY2021-22. AG responded that they would not since FDOE had an agreement with USED to delete cumulative reports and reload monthly activity reports. Since the AG agrees that continued deletion and reloading of reports in FSRS will not warrant further findings, FDOE believes that these same actions regarding FY2020-21 reports do not warrant this finding.

Follow-Up to Management's Response:

FDOE management indicated in their written response that the FDOE did not concur with the finding and indicated that the Auditor General elected not to review the monthly reports that were deleted and then reloaded to the FSRS in February 2022. Additionally, the FDOE indicated that they did not agree that the finding warrants a Disclaimer of Opinion which suggests material and pervasive misstatements in the financial statements and that the Auditor General agreed that continued deletion and reloading of reports in the FSRS will not warrant further findings. Notwithstanding, the reports that the FDOE originally provided access to were not sufficient and appropriate audit evidence upon which to render an opinion on compliance with the Reporting compliance requirement because the reports did not originate from the FSRS. Further, the Auditor General was not made aware of the possible availability of reloaded reports in the FSRS until receipt of the FDOE's response to the finding in March 2022, beyond the time frame necessary to permit the performance of sufficient and appropriate audit procedures. Regarding the finding classification, under the Uniform Guidance, a disclaimer of opinion relates to whether an auditee complied with laws, regulations, and the terms and conditions of Federal awards which could have a direct and material effect on the Federal program and does not relate to the financial statements. Lastly, the Auditor General did not agree that the deletion and reloading of reports would not warrant a future finding. Consequently, the finding and related recommendation stand as presented.

**Anticipated Completion Date & Contact: Fully Corrected; Matt Kirkland**

Corrected on 2/16/2022. The initially deleted reports have been corrected and resubmitted in the FSRS system.

**Department of Education  
Office of the Inspector General – Internal Audit  
Six-Month Status Report on: State of Florida Compliance and Internal Controls Over Financial  
Reporting and Federal Awards  
Report #2022-189 Issued: March 30, 2022  
Status as of September 30, 2022**

**Program Title: Rehabilitation Services Vocational Rehabilitation Grants to States**

**FDOE Response as of September 30, 2022:**

**Finding 2021-047:** Certain security controls related to user authentication for the Aware system need improvement to ensure the confidentiality, integrity, and availability of Aware system data and related information technology (IT) resources.

**Recommendation:** We recommend that FDOE management improve certain security controls related to Aware system user authentication to ensure the confidentiality, integrity, and availability of Aware system data and related IT resources.

**Response as of March 30, 2022:** In the spring of 2020, FDOE recognized deficiencies with the existing on premises Division of Vocational Rehabilitation (DVR) RIMS and Division of Blind Services (DBS) AWARE system. Therefore, FDOE issued a procurement through a NASPO contract in October 2020 to replace the antiquated systems for both DBS and DVR with a modernized secured cloud-hosted AWARE case management system in accordance with Florida Administrative Code 60-GG-2, Florida Cybersecurity Standards. For efficiency purposes, FDOE directed its resources to DVR enterprise, which will replace adequate security controls with enhanced security controls to ensure the successful implementation of the new modernized secured systems. FDOE intends on having this new system implemented by Spring 2023.

**Anticipated Completion Date & Contact: Spring 2023; Andre Smith**

FDOE has a project underway to replace the system with a modernized, secured, cloud-hosted Aware case management system that will meet Chapter 60GG-2, F.A.C., standards. FDOE intends on having this new system implemented by Spring 2023.

**Program Title: Rehabilitation Services Vocational Rehabilitation Grants to States**

**FDOE Response as of September 30, 2022:**

**Finding 2021-048:** FDOE change management controls need improvement to ensure that only authorized, tested, and approved Aware system program code changes are implemented into the production environment.

**Recommendation:** We recommend that FDOE management enhance change management controls to ensure that all changes to the Aware system are recorded in the ticketing system and do not by bypass the FDOE change management process.

**Response as of March 30, 2022:** FDOE utilizes a formal Information System Development Methodology (ISDM) framework to guide the departmental software development lifecycle. FDOE's ISDM outlines the process for planning, defining, designing, building, testing, deploying, and monitoring code changes. FDOE will implement a reconciliation process and realign all IT staff/procedures within Division of Technology and Innovation to ensure that only approved changes are implemented in production environments.

Department of Education  
Office of the Inspector General – Internal Audit  
Six-Month Status Report on: State of Florida Compliance and Internal Controls Over Financial Reporting and Federal Awards  
Report #2022-189 Issued: March 30, 2022  
Status as of September 30, 2022

**Anticipated Completion Date & Contact: Fully Corrected; Andre Smith**

FDOE is testing a Systems Configuration Management module that will allow tracking of configuration changes in near real-time and will use that to reconcile changes against our change management and ticketing system

**Program Title: Rehabilitation Services Vocational Rehabilitation Grants to States**

**FDOE Response as of September 30, 2022:**

**Finding 2021-049:** The report used by the FDOE to conduct periodic Aware system user access privilege reviews did not promote an effective review of the appropriateness of all user accounts. Additionally, the FDOE did not always promptly deactivate Aware system access privileges upon a user's separation from FDOE employment.

**Recommendation:** We recommend that FDOE management strengthen controls to ensure that FDOE records evidence periodic reviews of the appropriateness of all Aware system user access privileges. We also recommend that FDOE management enhance controls to ensure that Aware system user access privileges are deactivated immediately upon a user's separation from FDOE employment.

**Response as of March 30, 2022:** FDOE has a standardized process for managing user access, including the periodic review of role appropriateness. FDOE will evaluate the current process and make modifications to ensure consistent implementation across all divisions and timely access removal.

**Anticipated Completion Date & Contact: Fully Corrected; Andre Smith**

FDOE has a standardized process for managing user access and formalized a review process to ensure consistent implementation.

**Program Title: Rehabilitation Services Vocational Rehabilitation Grants to States**

**FDOE Response as of September 30, 2022:**

**Finding 2021-050:** Certain security controls related to user authentication for the FDOE network need improvement to ensure the confidentiality, integrity, and availability of Rehabilitation Information Management System (RIMS) data and related information technology (IT) resources.

**Recommendation:** We recommend that FDOE management improve certain security controls related to FDOE network user authentication to ensure the confidentiality, integrity, and availability of RIMS data and related IT resources.

**Response as of March 30, 2022:** In the spring of 2020, FDOE recognized deficiencies with the existing on premises Division of Vocational Rehabilitation (DVR) RIMS and Division of Blind Services (DBS) AWARE system. Therefore, FDOE issued a procurement through a NASPO contract in October 2020 to replace



**Department of Education  
Office of the Inspector General – Internal Audit  
Six-Month Status Report on: State of Florida Compliance and Internal Controls Over Financial  
Reporting and Federal Awards  
Report #2022-189 Issued: March 30, 2022  
Status as of September 30, 2022**

the antiquated systems for both DBS and DVR with a modernized secured cloud-hosted AWARE case management system in accordance with Florida Administrative Code 60-GG-2, Florida Cybersecurity Standards. For efficiency purposes, FDOE directed its resources to DVR enterprise, which will replace adequate security controls with enhanced security controls to ensure the successful implementation of the new modernized secured systems. FDOE intends on having this new system implemented by Spring 2023.

***Anticipated Completion Date & Contact: Spring 2023; Andre Smith***

FDOE has a project underway to replace the system with a modernized, secured, cloud-hosted Aware case management system that will meet Chapter 60GG-2, F.A.C., standards. FDOE intends on having this new system implemented by Spring 2023.

**Program Title: Rehabilitation Services Vocational Rehabilitation Grants to States**

**FDOE Response as of September 30, 2022:**

**Finding 2021-051:** FDOE change management controls need improvement to ensure that only authorized, tested, and approved Rehabilitation Information Management System (RIMS) program code changes are implemented into the production environment.

Recommendation: We recommend that FDOE management enhance change management controls to ensure that all changes to RIMS are recorded in the ticketing system and do not bypass the FDOE change management process.

Response as of March 30, 2022: FDOE utilizes a formal Information System Development Methodology (ISDM) framework to guide the departmental software development lifecycle. FDOE's ISDM outlines the process for planning, defining, designing, building, testing, deploying, and monitoring code changes. FDOE will implement a reconciliation process and realign all IT staff/procedures within Division of Technology and Innovation to ensure that only approved changes are implemented in production environments.

***Anticipated Completion Date & Contact: October 31, 2022; Andre Smith***

FDOE is testing a Systems Configuration Management module that will allow tracking of configuration changes in near real-time and will use that to reconcile changes against our change management and ticketing system

**Program Title: Rehabilitation Services Vocational Rehabilitation Grants to States**

**FDOE Response as of September 30, 2022:**

**Finding 2021-052:** The FDOE was unable to provide system-generated network access controls records evidencing the date that user access rights to the network were disabled or system-generated access

**Department of Education  
Office of the Inspector General – Internal Audit  
Six-Month Status Report on: State of Florida Compliance and Internal Controls Over Financial  
Reporting and Federal Awards  
Report #2022-189 Issued: March 30, 2022  
Status as of September 30, 2022**

control records evidencing the date that a user last accessed the Rehabilitation Information Management System (RIMS). In addition, the FDOE did not periodically review the appropriateness of RIMS user access roles.

Recommendation: We recommend that FDOE management ensure that system-generated network and RIMS access control records are maintained. We also recommend that FDOE management strengthen controls to ensure that periodic reviews of the appropriateness of RIMS user roles are conducted and documented in FDOE records.

Response as of March 30, 2022: FDOE has a standardized process for managing user access, including the periodic review of role appropriateness. FDOE will evaluate the current process and make modifications to ensure consistent implementation across all divisions and timely access removal.

***Anticipated Completion Date & Contact: Fully Corrected; Andre Smith***

FDOE has a standardized process for managing user access and formalized a review process to ensure consistent implementation.

**Program Title: English Language Acquisition State Grants**

**FDOE Response as of September 30, 2022:**

**Finding 2021-053:** Certain security controls related to user authentication for the Comprehensive Management Information System (CMIS) need improvement to ensure the confidentiality, integrity, and availability of CMIS data and related information technology (IT) resources.

Recommendation: We recommend that FDOE management improve certain security controls related to CMIS user authentication to ensure the confidentiality, integrity, and availability of CMIS data and related IT resources.

Response as of March 30, 2022: During the audit period, FDOE contends that the security controls for CMIS were the maximum controls allowable based on the legacy environment in which the system was hosted. However, this system was migrated to a cloud-based environment with enhanced security control options. FDOE is currently working with our vendor to implement the enhanced controls in accordance with Florida Administrative Code 60-GG-2.

***Anticipated Completion Date & Contact: August 31, 2022; Andre Smith***

The FDOE and NWRDC are testing a solution and deployment for FDOE users. It is anticipated to be fully deployed within the next 60 days.

**Program Title: English Language Acquisition State Grants (ELAG)**

**FDOE Response as of September 30, 2022:**

**Department of Education  
Office of the Inspector General – Internal Audit  
Six-Month Status Report on: State of Florida Compliance and Internal Controls Over Financial  
Reporting and Federal Awards  
Report #2022-189 Issued: March 30, 2022  
Status as of September 30, 2022**

**Finding 2021-054:** FDOE records did not demonstrate that Comprehensive Management Information System (CMIS) software changes were appropriately tested or approved.

Recommendation: We recommend that the FDOE enhance CMIS change management controls to ensure that all changes are appropriately tested and approved.

Response as of March 30, 2022: FDOE utilizes a formal Information System Development Methodology (ISDM) framework to guide the departmental software development lifecycle. FDOE's ISDM outlines the process for planning, defining, designing, building, testing, deploying, and monitoring code changes. FDOE will implement a reconciliation process and realign all IT staff/procedures within Division of Technology and Innovation to ensure that only approved changes are implemented in production environments.

***Anticipated Completion Date & Contact: Fully Corrected; Andre Smith***

FDOE fully implemented the updated Mainframe Production Control Request in January 2022. FDOE formalized a review for CMIS post-production deployment and is reconciling CMIS changes monthly.

**Program Title: English Language Acquisition State Grants (ELAG)**

**FDOE Response as of September 30, 2022:**

**Finding 2021-055:** The FDOE did not conduct periodic Comprehensive Management Information System (CMIS) user access privilege reviews or timely deactivate the CMIS user accounts for employees who separated from FDOE employment.

Recommendation: We recommend that FDOE management ensure that periodic reviews of CMIS user access privileges are adequately performed and documented in FDOE records. We also recommend that FDOE management enhance controls to ensure that CMIS user access privileges are deactivated immediately upon a user's separation from FDOE employment.

Response as of March 30, 2022: FDOE has a standardized process for managing user access, including the periodic review of role appropriateness. FDOE will evaluate the current process and make modifications to ensure consistent implementation across all divisions and timely access removal.

***Anticipated Completion Date & Contact: Fully Corrected; Andre Smith***

FDOE has a standardized process for managing user access and formalized a review process to ensure consistent implementation.

**Program Title: Education Stabilization Fund (ESF) – Governor's Emergency Education Relief Fund, Elementary and Secondary School Emergency Relief Fund**

**FDOE Response as of September 30, 2022:**



**Department of Education**  
**Office of the Inspector General – Internal Audit**  
**Six-Month Status Report on: State of Florida Compliance and Internal Controls Over Financial Reporting and Federal Awards**  
**Report #2022-189 Issued: March 30, 2022**  
**Status as of September 30, 2022**

**Finding 2021-056:** FDOE monitoring activities did not validate the allowability of actual subrecipient ESF program expenditures nor did the FDOE require all subrecipients to provide a Budget Narrative Form documenting the financial plan and uses of funds for carrying out project objectives, services, and activities. In addition, the FDOE did not evaluate subrecipient risk of noncompliance with Federal statutes, regulations, and the terms and conditions of the subaward or perform monitoring activities based on the assessed risk of noncompliance.

Recommendation: We recommend that FDOE management evaluate each subrecipient's risk of noncompliance and, based on the assessment of risk, conduct monitoring activities that: validate the allowability of ESF program expenditures; verify the accuracy of annual report information submitted to the USED; and confirm each subrecipient's compliance with Federal statutes, regulations, and the terms and conditions of the subaward.

Response as of March 30, 2022: The Department does not concur with this finding that it did not engage in subrecipient monitoring or risk analysis for the Education Stabilization Fund (ESF) programs in 2020-21. Subrecipient monitoring begins with application and budget review. For all ESF programs except the ESSER II Advance Lump Sum program, FDOE required LEAs to submit an application and detailed budget outlining anticipated expenditures. FDOE reviews the detailed budget to ensure all anticipated expenditures are allowable prior to making the award. In addition, all subgrantees undergo a risk analysis prior to receiving an award. At the end of the program period, LEAs submit a Final Disbursement Report that aids in verifying that actual expenditures match the approved budget. All LEAs in Florida are subject to an annual independent audit and a federal single audit. All these activities constitute monitoring. In addition to these activities, FDOE does plan to contract for additional subrecipient monitoring to include sampling expenditures, procurement activities, inventories and other programmatic requirements. This monitoring will occur within the program period. All the ESF programs are multi-year programs, still within the program period. The only exception made to require a detailed budget in advance of the award was for the ESSER II advance lump sum. To ensure that there would be no gap in receipt of stabilization funds and in light of the emergency nature of the program, FDOE provided an advance allocation of ESSER II funds to those school districts having expended a large proportion of their ESSER I funds, without having to submit a detailed budget for approval in advance of the award; however, these districts were required to submit a detailed list of actual or planned expenditures for the advance prior to receiving the balance of their ESSER II lump sum award. Therefore, the expenditures are indeed subject to review by FDOE. Prior to proceeding in this manner, FDOE obtained a legal opinion that this procedure was legally sufficient and has provided the opinion to the auditors. FDOE disagrees that because the "FDOE did not perform monitoring activities subsequent to the approval of the subrecipients' Budget Narrative forms to validate the allowability of the subrecipients' actual expenditures," the auditors "could not determine whether the expenditures, including expenditures for equipment and real property" were allowable and in accordance with the grant terms and conditions." All expenditures are required to be documented by all subrecipients and are subject to sampling and validation by auditors using ordinary sampling and verification. Indeed, it is recognized that fiscal monitoring and auditing should not be duplicative; FDOE is not required to monitor those requirements covered by the single audit. The very fact that every LEA in Florida is covered by an independent audit that includes the federal single audit is an element of monitoring that ensures compliance.

Follow-Up to Management's Response: FDOE management indicated in their written response that the FDOE did not concur with the finding and cited various activities that constituted monitoring, among others, that the LEAs are covered by an independent audit that includes the Federal single audit. However, the Uniform Guidance requires additional monitoring efforts conducted by the pass-through entity (i.e., the FDOE), including an evaluation of subrecipient risk and conduct of subrecipient monitoring to ensure that the subaward is used for authorized purposes. As indicated in the finding, the FDOE did

**Department of Education  
Office of the Inspector General – Internal Audit  
Six-Month Status Report on: State of Florida Compliance and Internal Controls Over Financial  
Reporting and Federal Awards  
Report #2022-189 Issued: March 30, 2022  
Status as of September 30, 2022**

not evaluate the LEAs' risk of noncompliance to determine the appropriate subrecipient monitoring and, as noted in the FDOE's response, the FDOE plans to contract for subrecipient monitoring, including a sampling of expenditures. Consequently, the finding and related recommendation stand as presented.

***Anticipated Completion Date & Contact: Fully Corrected; Miki Presley***

The Department did not concur with this finding; however, since the finding was made, the Department has completed a risk assessment and entered into a contract with a vendor to conduct subrecipient compliance monitoring and the monitoring is under way.

**Program Title: Education Stabilization Fund (ESF) – Governor's Emergency Education Relief Fund**

**FDOE Response as of September 30, 2022:**

**Finding 2021-057:** The FDOE did not always provide required award information to all subrecipients or verify the suspension and debarment status of subrecipients.

**Recommendation:** We recommend that the FDOE ensure that all required award information is provided to all subrecipients and that the FDOE verifies that all subrecipients are not suspended or debarred.

**Response as of March 30, 2022:** The Florida Department of Education (FDOE or Department) concurs with the findings and recommendations during the audit period and has already addressed the auditor's recommendations. Since the Memorandum of Understanding (MOU) served as the subaward agreement, the elements required under 2 CFR § 200.332 should have been included in the agreement and were not. Communications to the recipients did identify the Governor's Emergency Education Relief (GEER) program as the source of funding, and based on the circumstances, it was clear that the relationship was a subgrant relationship. None of the subrecipients were, in fact, suspended or debarred. As thoroughly vetted public schools that are subject to audit and financial regulation, the subrecipients in question were low risk, especially since the payments were on a reimbursement basis. In the future, if MOUs are used as a vehicle for a subgrant, FDOE will include those elements required by 2 CFR § 200.332 in the MOU and will verify that the subrecipients are not suspended or debarred. Under the GEER program, 138 subawards to charter schools were issued. GEER is intended to provide immediate relief to educational entities to ensure continued operation of schools in the wake of the COVID-19 pandemic. The Charter School Growth Funding program provided relief to charter schools that provided instructional services for a significant number of students above the number of full-time equivalent (FTE) students for which they were funded through the Florida Education Finance Program (FEFP), and for many schools above their projected enrollment. A MOU was chosen as the vehicle for this program because it was the most expeditious means of providing this relief. Federal grant funds for charter schools usually flow from FDOE through the sponsoring school district, so there were no existing pathways and infrastructure for direct subgrants to charter schools. Building the program supports, contacts, procedures, and expertise for a traditional subgrant award process was too slow and unnecessarily time-consuming, given the nature of the program. Under the MOU process, FDOE required the charter school to submit documentation of allowable expenditures prior to releasing a reimbursement under the MOU. By making funds available on a reimbursement basis, FDOE ensured that all expenditures were allowable prior to the release of any funds.

**Department of Education  
Office of the Inspector General – Internal Audit  
Six-Month Status Report on: State of Florida Compliance and Internal Controls Over Financial  
Reporting and Federal Awards  
Report #2022-189 Issued: March 30, 2022  
Status as of September 30, 2022**

***Anticipated Completion Date & Contact: Fully Corrected; Regina Register***

The finding in this instance related to failing to include the required award information to all subrecipients or verify the suspension and disbarment status of subrecipients when using a Memorandum of Understanding (MOU) as the vehicle for issuing a subaward. The Department has incorporated the required information into such MOUs since this finding was raised.