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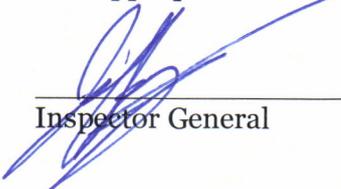
TO: Michael Crews, Secretary

FROM: Jeffery T. Beasley, Inspector General

DATE: July 17, 2013

SUBJECT: FOLLOW-UP AUDIT REPORT # A13034F – THE AUDITOR GENERAL’S DEPARTMENT OF CORRECTIONS OVERSIGHT OF SECURITY OPERATIONS AND PRIOR AUDIT FOLLOW-UP OPERATIONAL AUDIT, REPORT #2013-074

The Bureau of Internal Audit performed a follow-up audit to the Office of the Auditor General’s Department of Corrections, Oversight of Security Operations and Prior Audit Follow-up Operational Audit, Report Number 2013-074 issued in January 2013. The objectives of this follow-up were to determine the corrective actions taken on reported audit findings and whether actions taken achieved the desired results as intended by management. The scope of the follow-up consisted of obtaining from the Office of Community Corrections and Office of Institutions a written response of action taken to correct the reported findings. We have evaluated the responses to the findings and have assessed that appropriate action has been taken or is being taken to address the issues identified in the report.



Inspector General

JB/PS/kj
Attachment

Timothy Cannon, Deputy Secretary
James Upchurch, Assistant Secretary of Institutions
Jenny Nimer, Assistant Secretary of Community Corrections
Joint Legislative Auditing Committee

FLORIDA DEPARTMENT OF CORRECTIONS

Follow-up of Auditor General's Report #2013-074
Department of Corrections
Oversight of Security Operations and Prior Audit
Follow-Up, Operational Audit

Jeffery T. Beasley, Inspector General

Report #A13034F

Paul R. Strickland, Chief Internal Auditor

July 17, 2013

BACKGROUND

The Department operates under the provisions of Section 20.315 and Chapters 944, 945, 946, 948, and 958, Florida Statutes. The purpose of the Department is to protect the public through the incarceration and supervision of offenders and to rehabilitate offenders through the application of work, programs, and services. The Department's mission is to protect the public safety, ensure the safety of Department personnel, and provide proper care and supervision of all offenders under its jurisdiction while assisting, as appropriate, their reentry into society.

In January 2013, the Office of the Auditor General published a report, Department of Corrections Oversight of Security Operations and Prior Audit Follow-Up Operational Audit, Report # 2013-074.

OBJECTIVES

Our follow-up objectives were to determine:

- what corrective actions were taken on reported audit findings, and
- whether actions taken achieved the desired results as intended by management.

SCOPE AND METHODOLOGY

A request was made to the Office of Community Corrections and Office of Institutions for a written response on the status of corrective actions taken.

RESULTS OF FOLLOW-UP

Finding No. 1: The Security Review Committee required by Section 944.151(1), Florida Statutes, did not function as intended by State law.

Recommendation: Department management ensure that the Security Review Committee function as intended by State law or seek revision to Section 944.151, Florida Statutes.

Management's Original Response: *The Bureau of Security Operations conducted Security Review Committee Meetings on a quarterly basis from July 1995 – December 2007. Due to budgetary constraints meetings were discontinued by order of the Secretary in January 2008. We have continued to insure that all of the Committee's required activities as described in 944.151 are being accomplished through other means and have incorporated the requirements into various Department Procedures to codify and mandate compliance. The Bureau of Security Operations will make a recommendation to the Office of the Secretary that we reestablish the Security Review Committee and resume meetings effective April 1, 2013 utilizing conference calling and other technology options to avoid travel costs.*

Management's Follow-Up Response: *The Department of Corrections, Secretary Mike Crews appointed a Security Review Committee in accordance with Florida Statute 944.151 (1). The committee met at Central Office on May 28, 2013 to discuss audits as required by statute.*

Finding No. 2: The Department did not have a centralized tracking mechanism in place to ensure that all audits, reviews, and follow-up visits were timely performed and that security deficiencies were timely corrected. Additionally, the Department did not always maintain appropriate documentation or utilize tools to promote the completeness and tracking of Department security oversight efforts.

Recommendation: Department enhance its security oversight procedures by:

- Establishing a centralized tracking mechanism to ensure that all audits, reviews, and follow-up visits are timely performed and that security deficiencies are timely corrected.
- Improving documentation and reporting to evidence that all audits and reviews of institutions and facilities have been conducted.
- Improving its monitoring tools to better document the consistent and complete evaluation of institution and facility compliance with security and operational standards.

Management's Original Response: *The Bureau of Security Operations, in conjunction with the Office of Information Technology, began preliminary development of an improved Report Writer system on June 28, 2012. Hands-on development of the software began on July 12, 2012. The project was slated to be completed on March 31, 2013; however, we are attempting to complete the project and begin roll-out of the system by December 31, 2012. This new system will allow for a centralized tracking mechanism to ensure that all audits, reviews, and follow-up visits are performed in a timely manner and that security deficiencies are promptly corrected. Additionally, we will be able to track reviews by management staff and provide additional documentation tracking functions. These issues will be accomplished through the use of a recently dedicated position (CSAC, #13251). The staff member chosen for this newly created position begins work on January 1, 2013 and will also act as statutory compliance officer. Also, with the addition of two (2) additional security auditors (CSC, #'s 06072 & 09130), the Bureau of Security Operations will resume centralized oversight and coordination of the Operational*

Review process. This process was decentralized and placed in the Regional Offices under a prior administration.

In order to address additional concerns listed in the Report relating to audit documentation, we will institute the practice of audit team members documenting and retaining for review as needed the basis for their finding determinations for all of the standards as opposed to our previous practice of documenting and reporting "by exception" only those instances where a deficiency was noted. This reporting methodology was utilized for expediency in light of the limited staffing resource available with which to accomplish all of these audit duties. This information will be scanned and stored on secure servers and the hard copies maintained by the Bureau of Security Operations.

The maintenance of current inmate photographs is a Classification issue currently addressed in Procedure 601.220. The employment background investigation is a Personnel function under the authority of Florida Statute 110.1127, Procedure 208.049 and documented on Form DC2-897.

In accordance with the mandate of Procedure 602.013, all outgoing Inmate telephone calls are monitored/recorded. Additionally, at the discretion of each Warden and for investigative purposes by the Office of the Inspector General, additional monitoring of inmate telephones may be conducted.

Management's Follow-Up Response: *The Bureau of Security Operations, in conjunction with the Office of Information Technology, began preliminary development of an improved Report Writer system on June 28, 2012. Hands-on development of the software began on July 12, 2012. The project is in the final phase of being complete and has been tested for the past two months. The Bureau plans to conduct its training for users in July 2013. This new system (ORRW) Operational Review Report Writer will allow for a centralized tracking mechanism to ensure that all audits, reviews, and follow-up visits are performed in a timely manner and that security deficiencies are promptly corrected. Additionally, we will be able to track reviews by management staff and provide additional documentation and tracking functions. These issues will be accomplished through the use of a recently dedicated position (CSAC, #13251). The staff member chosen for this newly created position began work on January 1, 2013 and will also act as statutory compliance officer for the Bureau. Also, with the addition of two (2) additional security auditors (CSC, #'s 06072 & 09130), the Bureau of Security Operations has resumed centralized oversight and coordination of the Operational Review process. The Operational Review schedules now include Work Release Centers as a part of the parent facility. All documentation of audits is being maintained at Central Office electronically and by hardcopy for review. With regard to audits five new standards have been added: (1) Random Monitoring of Inmates Calls (Procedure 601.013) requires a minimum of forty hours monthly.(2) Use of Canine Units (3) FCIC/NCIC and Background checks for employees (4) Maintenance of Current Inmate Photos (Procedure 601.803) and (5) Work Release Centers Check out/in of inmates.*

Finding No. 3: The Department had not performed annual security audits of work release centers in accordance with State law.

Recommendation: The Department ensure that a security audit of the work release centers be performed annually in accordance with State law.

Management's Original Response: *The Bureau of Security Operations currently conducts an unannounced security audit of state institutions every other year and private institutions every year. Using standards that include the same security standards as utilized in the unannounced audits, we augment this process with an operational review of state institutions on those years following an unannounced security audit thus insuring an annual assessment of all institutions as required. Work release centers are the lowest security level of any facility and house inmates who work in the community, unsupervised by Department staff. These facilities have no physical security systems, no perimeter fencing and minimal staffing. Additionally, the inmates housed in these facilities are predominately non-violent and non-sexual offense offenders. This information notwithstanding and utilizing additional positions that have been allocated to us for audits and operational reviews, we will begin conducting security assessments of state and private work release centers utilizing an appropriate, abbreviated version of our institutional security standards effective January 1, 2013.*

Management's Follow-Up Response: *Beginning January 2013 all Work Release Centers will be audited annually in accordance with F.S. 944.151 and Procedure 602.040. Audit dates of all Work Release Centers have been incorporated in the annual audit schedule and are conducted during the same time as the parent institution.*

Finding No. 4: Department logical access controls related to a critical information technology application needed enhancement.

Recommendation: The Department should strengthen controls for the Report Writer application by ensuring that properly authorized Security Access Request forms are received prior to granting user access and that access is timely canceled after a user separates from Department employment.

Management's Original Response: *Since the audit, the Office of Information Technology (OIT) has ensured that access to standard updates is linked to membership in the appropriate LAN security groups. In addition, all users requesting access to the standard updates are required to submit a Security Access Request through their supervisor. The Research & Data Analysis security coordinator must review this request and approve it prior to OIT processing the request. The web-based replacement for Report Writer software will also include security modules that require appropriate LAN group membership for conducting reviews, editing reviews, and editing standards.*

Additionally, effective January 1, 2013, we will have a dedicated CSAC position assigned to track, authorize and delete access for staff to the new Report Writer System.

Management's Follow-Up Response: *The new computer system (ORRW) Operational Review Report Writer for security audits and operational reviews, which is currently in User Testing, will be completely network based, and a number of separate user access groups are being defined to limit access to the reviews and standards. When the new system is in production there will be a dedicated CSAC position in Security Operations assigned to track, authorize, and delete access for staff to the new system.*

Finding No. 5: Although the Department had implemented some corrective actions related to the court-ordered payment process, deficiencies still existed.

Recommendation: The Department take the necessary steps to ensure that funds collected by the Department pursuant to court-order and State law are timely disbursed to appropriate beneficiaries and administrative processing fees are collected when appropriate. In addition, COPS should be modified to produce edit reports identifying database changes. Department staff should utilize the reports to timely reconcile identified changes to approved change forms.

Management's Original And Follow-Up Response: *The follow up response is below in bold.*

Undisbursed Funds: Over the past three (3) years, Community Corrections has worked with the Office of Information Technology to enhance Court Ordered Payment System (COPS) programming and reports in order to improve timely disbursement of funds including victim restitution, court costs, and other court ordered monetary obligations. In June 2009, a COPS Exception Summary report was established to track progress made in each circuit on reducing COPS exceptions including undisbursed funds. Each circuit continues to utilize this report weekly to review outstanding COPS exceptions requiring actions.

*At the beginning of the process in June 2009, total undisbursed funds were \$10.2 million. As of November 30, 2012, this amount was reduced by more than \$6.6 million and is now \$3.6 million. **As of May 24, 2013, this amount increased slightly to 3.8 million.***

The total breaks down into two categories – situations which will largely self-correct and situations requiring action by the Community Corrections field staff with support from COPS Accounting staff.

*In June 2009, the situations (which will largely self-correct) totaled \$3.6 million. As of November 30, 2012 this total was reduced to \$2.3 million. **As of May 24, 2013, this total was 2.5 million.***

*In June 2009, the situations which require Community Corrections field staff and / or COPS Accounting staff action (otherwise known as "workable" issues) totaled 6.6 million. As of November 30, 2012 this total was reduced to \$1.3 million. **As of May 24, 2013, this total was reduced to 1.2 million, an 80.73% improvement.***

Approximately \$1.5 million is collected in COPS each week. According to COPS Accounting, with the amount of funds collected each week, the amount of undisbursed funds will be fluctuating within this 3- 4 million dollar range each month. The fact that the amount is being maintained at this level indicates that the staff is still working exceptions weekly or it would be higher.

As this audit revealed, there are still some delays in disbursing funds due to difficulties in locating victims or delays with responses from the court. Considering the volume of payments returned on a daily basis and competing workload demands, we believe that overall, we are working these exceptions to the best of our ability with the resources we have.

Surcharge: The three (3) cases cited for not charging surcharge were due to staff's lack of understanding COPS processes when payments are being made directly to a payee or due to data entry error. Since accounts should not be entered when payments are made directly to a payee and OBIS is programmed to automatically charge surcharge when accounts are entered, this should not occur in the future if staff are following COPS processes. On May 23, 2013, the Office of Information Technology provided a report indicating offenders in each circuit with no surcharge being charged. Staff was asked to review these cases to confirm this is correct.

Edit Reports: The COPS Operational Manual already requires supervisors to review and approve edits to accounts including address changes. Due to the current volume of supervisory workload, no changes have been made to this process to require implementation of edit reports.