



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

**Rick Scott**  
Governor

**Mike Carroll**  
Interim Secretary

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**DATE:** November 17, 2015

**TO:** Mike Carroll  
Secretary

**FROM:** Keith R. Parks  
Inspector General

A handwritten signature in blue ink, appearing to read "KRP", is written over the printed name of Keith R. Parks.

**SUBJECT:** Six-Month Status Report for Auditor General Report No. 2015-155

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In accordance with Section 20.055(6)(h), Florida Statutes, enclosed is our six-month status report on Auditor General Report No. 2015-155, *Department of Children and Families And Selected Behavioral Health Management Entities Oversight of Substance Abuse and Mental Health Services*, Operational Audit.

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

Enclosure

cc: Kathy DuBose, Staff Director, Joint Legislative Auditing Committee

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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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Mike Carroll  
Secretary

DEPARTMENT OF CHILDREN AND FAMILIES  
OFFICE OF INSPECTOR GENERAL

Enhancing Public Trust in Government



Keith R. Parks  
Inspector General

Project #E-1314DCF-059

November 17, 2015

## Six-Month Status Report

*Department of Children and Families  
And Selected Behavioral Health Management Entities  
Oversight of Substance Abuse and Mental Health Services  
Operational Audit*

### PURPOSE

The purpose of this report is to provide a written response to the Secretary on the status of corrective actions taken six months after the Auditor General published Report No. 2015-155, *Department of Children and Families And Selected Behavioral Health Management Entities Oversight of Substance Abuse and Mental Health Services, Operational Audit*.

### REPORT FINDINGS, RECOMMENDATIONS, STATUS & COMMENTS

The Department and four Managing Entities (MEs) were responsible for providing updated status and corrective action comments to findings and recommendations as follows:

Department of Children and Families	Findings 1 through 12
Office of Substance Abuse and Mental Health (SAMH)	
Office of Financial Management	
Office of Contracted Client Services	
Big Bend Community-Based Care, Inc. (BBCBC)	Findings 6, 7, 8, 9, and 11
Broward Behavioral Health Coalition, Inc. (BBHC)	Findings 7, 8, 10, 11, and 12
Lutheran Services Florida Health Systems, Inc. (LSF)	Findings 6, 7, 9, and 10
Southeast Florida Behavioral Health Network, Inc. (SEFBHN)	Findings 7, 8, 9, 11, and 12

Presented below are the full text of the Auditor General's finding statements and recommendations, and up-to-date corrective action comments and status, as reported by the management staff of the aforementioned offices and managing entities.

### **Department of Children and Families (DCF)**

**FINDING NO. 1:** *The Department could not provide documentation supporting the conclusions reached on cost analyses performed for ME contracts awarded on a noncompetitive basis. Additionally, the Department had not always documented that employees involved in the contractor evaluation and selection process attested in*

*evaluated and selected. The Department also could not document that required network management plans included all elements required by State law and that emergency preparedness plans were timely submitted and reviewed.*

**RECOMMENDATION:** *We recommend that Department management:*

- (1) Ensure that, for contracts awarded on a noncompetitive basis, documentation is appropriately retained to support the cost analyses conclusions.*
- (2) Ensure that conflict of interest (COI) statements are prepared and maintained for all contract evaluators and negotiators.*
- (3) Require the BBCBC to update its network management plan to detail the means for implementing the contracted ME duties and the efficiencies anticipated by the Department as a result of executing the contract.*
- (4) Require each ME to update its network management plan to include detailed policies and procedures regarding transparent operations.*
- (5) Ensure that the ME emergency preparedness plans are timely submitted and reviewed in accordance with ME contract terms.*

**Status (per Office of Substance Abuse and Mental Health staff)**  
**Recommendations 1, 2, and 3 - Fully Corrected; Recommendations 4 and 5 - Partially Corrected**

(1) Cost analysis templates were redistributed to all SAMH Contract Managers and Program Offices on April 29, 2015. SAMH now requires cost analysis for all ME contract amendments in which additional funding is included. The Office of Contracted Client Services (CCS) has begun to establish an internal process for second-tier review of cost analysis for future ME procurements and the retention of associated documentation.

(2) Contract managers have been instructed to audit their own files to ensure all COI statements are on file. Effective September 3, 2015, CCS implemented revisions to CFOP 75-2 and launched the "Contracting Playbook," including additional guidance on COI requirements. CCS initiated Playbook Training at headquarters on April 29, 2015 with a follow-up rollout to the regions.

(3) BBCBC submitted their Network Management Plan to the Northwest Region Office; however, the plan was returned to BBCBC for revision. BBCBC has submitted their revised plan to the Northwest Region Office and approval by the NW Regional Managing Director is pending.

(4) Contract Managers have been instructed to ensure Network Management Plans include addendum for current policies regarding transparency. Network Management Plans were due for submission to regional offices by July 15, 2015. Six of seven plans have been approved. BBCBC's revised plan is pending final review and approval by Northwest Region Managing Director.

(5) Contract Managers were instructed to audit existing Emergency Preparedness Plans and report the most recent approved version by May 8, 2015. As of August 2015, six of seven Emergency Preparedness Plans have been reviewed and approved

for compliance by regional contract managers. BBCBC is pending final approval by the Northwest Region Emergency Coordinator.

**FINDING NO. 2:** *Due to the delegation of the day-to-day operations to a for-profit entity, it is unclear as to whether the Department substantially met the requirement for utilizing nonprofit organizations as MEs.*

**RECOMMENDATION:** *We recommend that Department management ensure that the MEs are organized and provide for services as specified by State law.*

The Department has reviewed the subcontract between BBHC and Concordia, and found the provisions of the subcontract to comply with section 394.9082, Florida Statutes, (F.S.), and Chapters 215 and 402, F.S.

**Status (per Office of Substance Abuse and Mental Health staff): Fully Corrected**

**FINDING NO. 3:** *Department monitoring of the MEs did not ensure that all key assessment factors and performance measures were included in the scope of its monitoring activities. Additionally, the Department did not always appropriately document that proper follow-up on ME actions was taken to correct deficiencies identified through monitoring.*

**RECOMMENDATION:** *We recommend that Department management enhance monitoring procedures to ensure that, in accordance with applicable legal, contractual, and other requirements, all key assessment factors and performance measures are included in the scope of its ME monitoring activities. Additionally, we recommend that Department management ensure that proper follow-up on ME actions taken to correct any deficiencies or inefficiencies identified through the monitoring activities is appropriately documented.*

**Status (per Office of Substance Abuse and Mental Health staff): Fully Corrected**

Monitoring procedures are fully implemented and in compliance with applicable laws and rules of the Department. The appropriate follow-up activities are in place to ensure any deficiencies or inefficiencies are identified and addressed through corrective action plans.

**FINDING NO. 4:** *The Department had not established a method to measure the accuracy of SAMHIS client data submissions. Additionally, client SSNs were not always accurately recorded in SAMHIS.*

**RECOMMENDATION:** *We recommend that Department management develop a method to measure the accuracy of Substance Abuse and Mental Health Information System (SAMHIS) data submissions and to follow up with any ME that continues to have high rejection rates and records that are not timely corrected and resubmitted. We also recommend that Department management take actions to ensure the accurate recording of client Social Security Numbers (SSNs) in SAMHIS.*

**Status (per Office of Substance Abuse and Mental Health staff): Partially Corrected**

Data and Information Technology (IT) staff are working with MEs to provide technical assistance, share computer programs, and develop validation edits to help ensure accuracy of data. Standardized exception reports from SAMHIS are being provided to the MEs on a monthly basis. These reports assist the MEs to identify and resolve missing data issues.

The SAMH Program Office established an Information Management Project Team responsible for developing and implementing business requirement specifications related to priority of effort (POE) initiatives, with the goal of improving the SAMHIS. Two primary initiatives include the following:

- Develop and implement a methodology, by January 1, 2016, to create a unique client identifier (UCI) for each person served. The UCI will be maintained in a secure master client index (MCI) and accessed only by authorized system users at the state, region, managing entity, and provider levels. The target date for completion of the MCI is June 30, 2016.
- Develop and implement processes to validate and certify managing entity (ME) databases, by June 30, 2016, to ensure data transmitted from provider databases into ME databases and from ME databases into SAMHIS database are consistently error-free and accurate.

**FINDING NO. 5:** *Performance data submitted by the MEs did not always agree with the performance data recorded in SAMHIS.*

**RECOMMENDATION:** *We recommend that Department management continue to take measures to ensure that the MEs compile and report performance data in accordance with contract terms.*

**Status (per Office of Substance Abuse and Mental Health staff): Ongoing**

Standardized year-to-date performance reports from SAMHIS are being distributed to the MEs on a monthly basis so they can compare corresponding reports they have submitted and address any discrepancies.

**FINDING NO. 6:** *SAMHIS did not facilitate reconciliations between data recorded in the Florida Accounting Information Resource Subsystem (FLAIR) and ME accounting records.*

**RECOMMENDATION:** *To facilitate the reconciliation of SAMHIS client service data to the associated payment data in FLAIR and ME accounting records, we recommend that Department management timely proceed with planned SAMHIS modifications. Additionally, we recommend that Department management develop procedures for reconciling FLAIR and SAMHIS client payment and program expenditure data and also establish guidelines for ME use when reconciling ME accounting records to SAMHIS data. Department staff should periodically review documentation of the ME-prepared reconciliations to ensure that the reconciliations were appropriately and timely performed.*

**Status (per Office of Substance Abuse and Mental Health staff): Ongoing**

The SAMHIS redesign project has been completed. The schedule to collect the billed and paid amounts from the MEs will begin during the 2nd quarter (November 15, 2015) to allow sufficient time for the MEs to modify their upload systems to accommodate the new data elements.

The Information Management Project Team has developed standards and protocols, which MEs will use for verification and approval of payments for invoices billed by providers to managing entities, and by managing entities to the Department.

**FINDING NO. 7:** *SAMHIS user access privileges were not always timely deactivated upon an employee's separation from employment or when access was no longer necessary. Additionally, the Department and MEs did not perform periodic reviews of SAMHIS user access privileges to ensure the continued appropriateness of the access.*

**RECOMMENDATION:** *To minimize the risk of compromising SAMHIS data and IT resources, we recommend that the Department work with the MEs to ensure that SAMHIS user access privileges are timely deactivated upon employment termination and when access privileges are no longer necessary. Additionally, we recommend that the Department and MEs perform periodic reviews of SAMHIS user access privileges to ensure the continued appropriateness of the access.*

**Status (per Office of Substance Abuse and Mental Health staff): Fully Corrected**

Policies and procedures related to deactivation and the continued appropriateness of current access to SAMHIS were reviewed and revised. The SAMH Privacy and Security Policy (Chapter 2 of the DCF Pamphlet 155-2) has been updated to reflect changes summarized below:

- After 45 consecutive days of inactivity, passwords will be deactivated and users will be locked out of SAMHIS. Reactivation procedures are outlined in Pamphlet 155-2;
- After 60 consecutive days of inactivity, user accounts will be revoked and users will need to reapply for access; and

The SAMH Security Officer will conduct quarterly reviews and work with Regional Data liaisons to reconcile discrepancies.

**FINDING NO. 8:** *Salary payments for leave used and ME employee leave balances were not always supported or calculated accurately.*

**RECOMMENDATION:** *We recommend that ME management ensure that all employee leave used is appropriately documented and approved and that employee leave balances are accurately calculated and supported by leave and attendance records.*

**Status (per Office of Financial Management staff): In Progress**

The fiscal monitoring procedures have been drafted and are undergoing review. The estimated completion date is November 30, 2015.

**FINDING NO. 9:** *The MEs did not always ensure that client and service event data was entered accurately into SAMHIS. Also, some MEs did not reconcile SAMHIS records to ME accounting records to ensure that amounts paid to providers represented payments for services provided.*

**RECOMMENDATION:** *We recommend that ME management strengthen controls over SAMHIS data entry to ensure client and service event information is accurately recorded.*

**Status (per Office of Substance Abuse and Mental Health staff): Fully Corrected**

The MEs are required to monitor for data validation under the terms of Attachment I, Section B.i.a.(4). ME performance measures, in Exhibit C, now specify a percent of each ME's network service providers who are subject to on-site monitoring each quarter. All ME monitoring reports and CAPs are required to be submitted to the Region for review.

**FINDING NO. 10:** *The MEs did not always document that contract monitors were free from conflicts of interest, subcontractors were appropriately licensed, and monitoring was sufficiently documented and reviewed.*

**RECOMMENDATION:** *We recommend that ME management ensure that contract monitoring activities are appropriately performed, documented, and reviewed. As required by Department policies and procedures, monitoring work papers should include Conflict of Interest Statements completed by the contract monitors prior to monitoring each provider.*

**Status (per Office of Contracted Client Services staff): In Progress**

COU monitoring of the MEs in FY 2015-16 will include subcontract monitoring and will determine if monitoring is performed in a manner consistent with contractual requirements.

**FINDING NO. 11:** *The MEs did not always timely and accurately record property acquisitions in ME tangible personal property records. Additionally, SEFBHN property management policies and procedures did not conform to the requirements of Department guidelines.*

**RECOMMENDATION:** *We recommend that ME management ensure that property purchased with Department-provided funds is properly recorded in the ME property records. In addition, SEFBHN management should revise the ME's property management policies and procedures to conform to the requirements of Department guidelines.*

**Status (per Office of Contracted Client Services staff): Partially Corrected**

The Department's Fiscal Monitor and COU have drafted a plan with assigned responsibilities for monitoring inventory at the MEs to optimize efficiency. This plan addresses ensuring acquisitions are recorded in property records.

**FINDING NO. 12:** *The MEs did not always timely conduct annual physical inventories or ensure that the results of annual physical inventories were reconciled to ME accounting and property records.*

**RECOMMENDATION:** *We recommend that BBHC and SEFBHN management ensure that annual physical inventories are timely performed and that property records are timely and accurately updated to reflect the results of such inventories in accordance with established policies and procedures.*

**Status (per Office of Contracted Client Services staff):** *In Progress*

Certain compliance requirements related to inventory, including the performance of an annual inventory, will be included in the scope of COU at the MEs in FY 15-16.

**Status (per Office of Financial Management staff):** *In Progress*

The fiscal monitoring procedures have been drafted and are undergoing review. The estimated completion date is November 30, 2015.

### **Big Bend Community-Based Care (BBCBC)**

**FINDING NO. 6:** *SAMHIS did not facilitate reconciliations between data recorded in the Florida Accounting Information Resource Subsystem (FLAIR) and ME accounting records.*

**RECOMMENDATION:** *To facilitate the reconciliation of SAMHIS client service data to the associated payment data in FLAIR and ME accounting records, we recommend that Department management timely proceed with planned SAMHIS modifications. Additionally, we recommend that Department management develop procedures for reconciling FLAIR and SAMHIS client payment and program expenditure data and also establish guidelines for ME use when reconciling ME accounting records to SAMHIS data. Department staff should periodically review documentation of the ME-prepared reconciliations to ensure that the reconciliations were appropriately and timely performed.*

**Status (per Big Bend Community-Based Care staff):** *Ongoing*

BBCBC is currently in the midst of transitioning to a new data collection system designed to mirror SAMHIS. These enhancements will allow for DCF's reconciliation of client service data to BBCBC ME accounting and FLAIR.

**FINDING NO. 7:** *SAMHIS user access privileges were not always timely deactivated upon an employee's separation from employment or when access was no longer necessary. Additionally, the Department and MEs did not perform periodic reviews of SAMHIS user access privileges to ensure the continued appropriateness of the access.*

**RECOMMENDATION:** *To minimize the risk of compromising SAMHIS data and IT resources, we recommend that the Department work with the MEs to ensure that SAMHIS user access privileges are timely deactivated upon employment termination and when access privileges are no longer necessary. Additionally, we recommend that*



*the Department and MEs perform periodic reviews of SAMHIS user access privileges to ensure the continued appropriateness of the access.*

**Status (per Big Bend Community-Based Care staff): Ongoing**

The ME Data Specialist runs quarterly user lockout reports and follows up with providers to determine the continuation or removal of user access.

**FINDING NO. 8:** *Salary payments for leave used and ME employee leave balances were not always supported or calculated accurately.*

**RECOMMENDATION:** *We recommend that ME management ensure that all employee leave used is appropriately documented and approved and that employee leave balances are accurately calculated and supported by leave and attendance records.*

**Status (per Big Bend Community-Based Care staff): Ongoing**

BBCBC is converting the recording, tracking and reconciliation of employee leave to the payroll software system maintained with Vision HR, scheduled to begin in October 2015. The software will generate monthly and year-end leave reports that will be reconciled to the general ledger accounting system on a monthly and annual basis. In addition, the semi-monthly timesheets maintained by BBCBC will be reconciled on a monthly basis to the leave utilized per the monthly reports. Following conversion to this tracking method, leave balances will be included on the semi-monthly pay stubs provided to employees for review.

**FINDING NO. 9:** *The MEs did not always ensure that client and service event data was entered accurately into SAMHIS. Also, some MEs did not reconcile SAMHIS records to ME accounting records to ensure that amounts paid to providers represented payments for services provided.*

**RECOMMENDATION:** *We recommend that ME management strengthen controls over SAMHIS data entry to ensure client and service event information is accurately recorded.*

**Status (per Big Bend Community-Based Care staff): Partially Corrected**

BBCBC has incorporated service event validation into the monitoring process. This process verifies there is documentation in the client file to support service event entry in SAMHIS.

**FINDING NO. 11:** *The MEs did not always timely and accurately record property acquisitions in ME tangible personal property records. Additionally, SEFBHN property management policies and procedures did not conform to the requirements of Department guidelines.*

**RECOMMENDATION:** *We recommend that ME management ensure that property purchased with Department-provided funds is properly recorded in the ME property records. In addition, SEFBHN management should revise the ME's property management policies and procedures to conform to the requirements of Department guidelines.*

**Status (per Big Bend Community-Based Care staff): Ongoing**

BBCBC is in process of conducting inventory observations of tangible personal property, ensuring that each item is appropriately tagged and all required information related to the property acquired with Department provided funds is recorded in BBCBC's property records. These records will be reconciled to information recorded in BBCBC's general ledger accounting system. Subsequent to the update and reconciliation of property records to the information in the general ledger accounting system, BBCBC will conduct a physical inventory observation on an annual basis.

**Broward Behavioral Health Coalition (BBHC)**

**FINDING NO. 7:** *SAMHIS user access privileges were not always timely deactivated upon an employee's separation from employment or when access was no longer necessary. Additionally, the Department and MEs did not perform periodic reviews of SAMHIS user access privileges to ensure the continued appropriateness of the access.*

**RECOMMENDATION:** *To minimize the risk of compromising SAMHIS data and IT resources, we recommend that the Department work with the MEs to ensure that SAMHIS user access privileges are timely deactivated upon employment termination and when access privileges are no longer necessary. Additionally, we recommend that the Department and MEs perform periodic reviews of SAMHIS user access privileges to ensure the continued appropriateness of the access.*

**Status (per Broward Behavioral Health Coalition staff): Ongoing**

BBHC's subcontractor, Concordia Behavioral Health (CBH), has updated its Employee Security Policies and Procedures to enhance the ability to track and terminate users who no longer need access to the SAMHIS. Additionally, during the Data Workgroup meetings the providers are reminded to immediately provide notice once an employee has been terminated or separated from the organization.

**FINDING NO. 8:** *Salary payments for leave used and ME employee leave balances were not always supported or calculated accurately.*

**RECOMMENDATION:** *We recommend that ME management ensure that all employee leave used is appropriately documented and approved and that employee leave balances are accurately calculated and supported by leave and attendance records.*

**Status (per Broward Behavioral Health Coalition staff): Fully Corrected**

This was an isolated incident that occurred once and was corrected. Currently, BBHC is utilizing Automatic Data Processing (ADP) Inc., to track the leave balances of all staff. Prior to implementing the ADP system, hours were tracked manually. Staff is still required to complete Leave Request Forms, which are checked against the information in ADP.

**FINDING NO. 10:** *The MEs did not always document that contract monitors were free from conflicts of interest, subcontractors were appropriately licensed, and monitoring was sufficiently documented and reviewed.*

**RECOMMENDATION:** *We recommend that ME management ensure that contract monitoring activities are appropriately performed, documented, and reviewed. As required by Department policies and procedures, monitoring work papers should include Conflict of Interest Statements completed by the contract monitors prior to monitoring each provider.*

**Status (per Broward Behavioral Health Coalition staff): Fully Corrected**

All employees (BBHC and CBH), who are participating in a monitoring, have been signing a Conflict of Interest Form. The forms are added to the contract file.

**FINDING NO. 11:** *The MEs did not always timely and accurately record property acquisitions in ME tangible personal property records. Additionally, SEFBHN property management policies and procedures did not conform to the requirements of Department guidelines.*

**RECOMMENDATION:** *We recommend that ME management ensure that property purchased with Department-provided funds is properly recorded in the ME property records. In addition, SEFBHN management should revise the ME's property management policies and procedures to conform to the requirements of Department guidelines.*

**Status (per Broward Behavioral Health Coalition staff): Fully Corrected**

Currently, the correct Property Information Worksheet is being utilized by BBHC, and the Office Manager has been designated to conduct the annual physical inspection of all purchased property.

**FINDING NO. 12:** *The MEs did not always timely conduct annual physical inventories or ensure that the results of annual physical inventories were reconciled to ME accounting and property records.*

**RECOMMENDATION:** *We recommend that BBHC and SEFBHN management ensure that annual physical inventories are timely performed and that property records are timely and accurately updated to reflect the results of such inventories in accordance with established policies and procedures.*

**Status (per Broward Behavioral Health Coalition staff): Fully Corrected**

The correct Property Information Worksheet is being utilized by BBHC. The worksheet has been updated with all the required information and will continue to be updated, as needed. Monthly, our contracted Chief Financial Officer reconciles the Fixed Asset Spreadsheet with the Property Information Worksheet.

### **Lutheran Services Florida (LSF)**

**FINDING NO. 6:** *SAMHIS did not facilitate reconciliations between data recorded in the Florida Accounting Information Resource Subsystem (FLAIR) and ME accounting records.*

**RECOMMENDATION:** *To facilitate the reconciliation of SAMHIS client service data to the associated payment data in FLAIR and ME accounting records, we recommend that*

*Department management timely proceed with planned SAMHIS modifications. Additionally, we recommend that Department management develop procedures for reconciling FLAIR and SAMHIS client payment and program expenditure data and also establish guidelines for ME use when reconciling ME accounting records to SAMHIS data. Department staff should periodically review documentation of the ME-prepared reconciliations to ensure that the reconciliations were appropriately and timely performed.*

**Status (per Lutheran Services Florida staff): Fully Corrected**

LSF is continuing to reconcile the FLAIR system on a monthly basis with our financial system. With the addition of new financial software, this reconciliation process is much more efficient in order to check discrepancies. There remains adjusting differences throughout the year, with all adjustments being reversed by year-end.

**FINDING NO. 7:** *SAMHIS user access privileges were not always timely deactivated upon an employee's separation from employment or when access was no longer necessary. Additionally, the Department and MEs did not perform periodic reviews of SAMHIS user access privileges to ensure the continued appropriateness of the access.*

**RECOMMENDATION:** *To minimize the risk of compromising SAMHIS data and IT resources, we recommend that the Department work with the MEs to ensure that SAMHIS user access privileges are timely deactivated upon employment termination and when access privileges are no longer necessary. Additionally, we recommend that the Department and MEs perform periodic reviews of SAMHIS user access privileges to ensure the continued appropriateness of the access.*

**Status (per Lutheran Services Florida staff): Fully Corrected**

In regards to User Management, we are continuing with the process outlined in our response to the preliminary and tentative findings. We send out periodic correspondence to all subcontracted providers in order to maintain current user information and verification of all users. Our Data Quality Manager works closely with DCF staff in order to make sure systems are reconciled.

**FINDING NO. 9:** *The MEs did not always ensure that client and service event data was entered accurately into SAMHIS. Also, some MEs did not reconcile SAMHIS records to ME accounting records to ensure that amounts paid to providers represented payments for services provided.*

**RECOMMENDATION:** *We recommend that ME management strengthen controls over SAMHIS data entry to ensure client and service event information is accurately recorded.*

**Status (per Lutheran Services Florida staff): Fully Corrected**

We continue to review data submitted monthly by subcontracted providers and work with providers to ensure all data is uploaded and any identified errors are corrected. Each provider's data is pulled monthly and reviewed against services paid. Our 5 Points system is currently able to generate invoices from data submitted. In addition, our Compliance Auditor pulls data from the system when doing data validation and

financial monitoring of all services. This is part of our standard operating procedures for monitoring.

We are currently working on a new Business Requirement that will identify exact units being paid, rather than a total population of what could be paid. Also, we compare our data in 5 Points and the data in the state SAMHIS system.

Reconciliation of the accounting records is done monthly at two levels: at the ME level to make sure our documentation is accurate, and at the corporate level where it is checked for verification and reconciliation. The ME level has multiple steps where 1) the Claims Processor reviews the amounts paid to the providers for services rendered; 2) the Accounting Coordinator then compiles all spending and reviews for accuracy; and 3) the Controller reviews all and ensures accuracy with the financial system and balances against FLAIR once payment is received.

***FINDING NO. 10:*** *The MEs did not always document that contract monitors were free from conflicts of interest, subcontractors were appropriately licensed, and monitoring was sufficiently documented and reviewed.*

***RECOMMENDATION:*** *We recommend that ME management ensure that contract monitoring activities are appropriately performed, documented, and reviewed. As required by Department policies and procedures, monitoring work papers should include Conflict of Interest Statements completed by the contract monitors prior to monitoring each provider.*

***Status (per Lutheran Services Florida staff): Fully Corrected***

The Compliance Auditor continues to follow the procedures outlined in our response to the preliminary and tentative findings. The Conflict of Interest forms are updated at a minimum of annually, as well as when any significant change occurs that requires it.

### ***Southeast Florida Behavioral Health Network (SEFBHN)***

***FINDING NO. 7:*** *SAMHIS user access privileges were not always timely deactivated upon an employee's separation from employment or when access was no longer necessary. Additionally, the Department and MEs did not perform periodic reviews of SAMHIS user access privileges to ensure the continued appropriateness of the access.*

***RECOMMENDATION:*** *To minimize the risk of compromising SAMHIS data and IT resources, we recommend that the Department work with the MEs to ensure that SAMHIS user access privileges are timely deactivated upon employment termination and when access privileges are no longer necessary. Additionally, we recommend that the Department and MEs perform periodic reviews of SAMHIS user access privileges to ensure the continued appropriateness of the access.*

***Status (per Southeast Florida Behavioral Health Network staff): Ongoing***

Our system is now set up so that access will be terminated for any user who is inactive for 30 days.

***FINDING NO. 8:*** *Salary payments for leave used and ME employee leave balances were not always supported or calculated accurately.*

**RECOMMENDATION:** *We recommend that ME management ensure that all employee leave used is appropriately documented and approved and that employee leave balances are accurately calculated and supported by leave and attendance records.*

**Status (per Southeast Florida Behavioral Health Network staff): Fully Corrected**

SEFBHN has implemented the use of an electronic time sheet system called T-sheets that tracks leave balances.

Requests for leave are initiated by the employee through a New Meeting request via email to their direct supervisor who can then accept or decline. When accepted, the leave will then be automatically populated to the supervisor and employee's calendar. This ensures the supervisor has access to when an employee is on leave and provides documentation to cross check against what is entered into T-sheets.

**FINDING NO. 9:** *The MEs did not always ensure that client and service event data was entered accurately into SAMHIS. Also, some MEs did not reconcile SAMHIS records to ME accounting records to ensure that amounts paid to providers represented payments for services provided.*

**RECOMMENDATION:** *We recommend that ME management strengthen controls over SAMHIS data entry to ensure client and service event information is accurately recorded.*

**Status (per Southeast Florida Behavioral Health Network staff): Ongoing**

SEFBHN contracts with Concordia Behavioral Health to manage our data. They have thus worked with DCF to clean up the data that includes reducing Exception Reports and removing duplicate records.

Adjustments are also being made to data entry in response to the changes DCF has made to the Pamphlet 155-2.

SEFBHN staff have also worked directly with providers whose data accuracy was deficient thus impacting the quality of data entered in SAMHIS.

**FINDING NO. 11:** *The MEs did not always timely and accurately record property acquisitions in ME tangible personal property records. Additionally, SEFBHN property management policies and procedures did not conform to the requirements of Department guidelines.*

**RECOMMENDATION:** *We recommend that ME management ensure that property purchased with Department-provided funds is properly recorded in the ME property records. In addition, SEFBHN management should revise the ME's property management policies and procedures to conform to the requirements of Department guidelines.*

**Status (per Southeast Florida Behavioral Health Network staff): Fully Corrected**

SEFBHN updated Policy 301 with accompanying procedures outlines how property is recorded in the ME property records.

***FINDING NO. 12:*** *The MEs did not always timely conduct annual physical inventories or ensure that the results of annual physical inventories were reconciled to ME accounting and property records.*

***RECOMMENDATION:*** *We recommend that BBHC and SEFBHN management ensure that annual physical inventories are timely performed and that property records are timely and accurately updated to reflect the results of such inventories in accordance with established policies and procedures.*

***Status (per Southeast Florida Behavioral Health Network staff): Fully Corrected***

Annual inventory is completed in addition to all computers being automatically inventoried every time a user logs into the network.

This follow-up audit was conducted as required by Florida Statutes 20.055(6)(h) and section 2500.A1 of the International Standards for the Professional Practice of Internal Auditing as published by the Institute of Internal Auditors. Elton Jones compiled this follow-up audit from representations provided by program management. Please address inquiries regarding this report to Jerry Chesnutt, Director of Auditing, at (850) 488-8722.