August 20, 2015

Ms. Sherrill F. Norman, CPA
Auditor General
G74 Claude Pepper Building
111 West Madison Street
Tallahassee, Florida 32399-1450

Dear Ms. Norman:

Pursuant to section 20.055, Florida Statutes, the attached document represents our six-month explanation and status of findings and recommendations included in the Auditor General Report No. 2014-104, Department of Management Services-Statewide Law Enforcement Radio System and Prior Audit-Follow-Up. The findings and recommendations in this summary appear in the same order as they appeared in the report.

If further information is needed concerning our response, please contact Walter Sachs, Inspector General, at 488-5285.

Sincerely,

Chad Poppell
Secretary

CP/mw

Enclosure

cc: Ben Wolf, Chief of Staff
    Erin Rock, Deputy Secretary, Business Operations
    Debra Forbess, Director of Administration
    Walter Sachs, Inspector General
    Yolanda Lockett, Audit Director
    Bill Rogers, Director, Division of Telecommunications
    Thomas G. Berger, Director, Real Estate Development and Management
    Kelly McMullen, Chief, Bureau of Financial Management Services
## Preliminary and Tentative Finding Report Status

<table>
<thead>
<tr>
<th>Status Date</th>
<th>Report No.</th>
<th>Report Title</th>
</tr>
</thead>
<tbody>
<tr>
<td>8/20/2015</td>
<td>2015-104</td>
<td>2014 AG DMS Operational Audit-Statewide Law Enforcement Radio System and Prior Audit-Follow-Up</td>
</tr>
</tbody>
</table>

**Contact Person**  
Bernard Grimesley  
**Program/Process**  
Division of Telecommunications  
**Phone No.**  
850-922-2963  
**Activity**  
SLERS  
**Accountability**  
Division of Telecommunications  
**Repeat Finding**  
No  
**Anticipated Completion Date**  
1-Aug-15

### Finding

<table>
<thead>
<tr>
<th>Finding No.</th>
<th>Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>1/20/2015</td>
</tr>
</tbody>
</table>

**Finding**  
Contrary to Department rules, the Department did not always authorize, in writing, an applicant's use of SLERS.

**Recommendation**  
We recommend that Department management ensure that reviews and authorization for each applicant's use of SLERS is documented in accordance with Department rules.

**Response/Action Plan**  
The Department has begun drafting processes to document and track all requests by third party applicants wanting to use the Statewide Law Enforcement Radio System (SLERS) and ensure that the approval of each application is documented in accordance with Department rules.

**Status Update-6mo**  
- Open  
- Management assumes risk  
- Partially Complete  
- Complete pending verification by OIG  
- Complete  

**Status Update-12mo**  
- Open  
- Management assumes risk  
- Partially Complete  
- Complete pending verification by OIG  
- Complete  

**Status Update-18mo**  
- Open  
- Management assumes risk  
- Partially Complete  
- Complete pending verification by OIG  
- Complete
## Preliminary and Tentative Finding Report Status

<table>
<thead>
<tr>
<th>Status Date</th>
<th>Report No.</th>
<th>Report Title</th>
</tr>
</thead>
<tbody>
<tr>
<td>Audit Response</td>
<td>2014 AG DMS Operational Audit-Statewide Law Enforcement Radio System and Prior Audit-Follow-Up</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Contact Person</th>
<th>Program/Process</th>
<th>Phone No.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bernard Grimsley</td>
<td>Division of Telecommunications</td>
<td>850-922-2963</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Activity</th>
<th>Accountability</th>
<th>Schedule</th>
</tr>
</thead>
<tbody>
<tr>
<td>SLERS</td>
<td>Responsible Unit</td>
<td>Repeat Finding</td>
</tr>
<tr>
<td></td>
<td>Division of Telecommunications</td>
<td>No</td>
</tr>
</tbody>
</table>

### Finding

The Department did not appropriately account for the State's proportionate share of revenues provided by the Department's contract with Harris. Additionally, the Department had not established policies and procedures to evaluate the accuracy and completeness of the reported revenue amounts from SLERS partners and third-party tenants.

### Recommendation

To ensure that the State timely receives its proportionate share of revenues from SLERS partners and third-party tenants, we recommend that Department management establish policies and procedures designed to ensure that applicable credits are deducted from the quarterly contract payments. Additionally, to ensure that the State receives all the revenues to which it is entitled, we recommend that Department management establish policies and procedures to evaluate the accuracy and completeness of the reported revenue amounts due from SLERS partners and third-party tenants.

### Response/Action Plan

The Department has already begun drafting procedures designed to ensure that all applicable credits are deducted from the quarterly contract payments. Policies will be soon forthcoming. Additionally, policies and procedures to evaluate the accuracy and completeness of the reported revenue amounts due from SLERS partners and third-party tenants will be developed and documented.

### Status Update-6mo

- Open
- Management assumes risk
- Partially Complete
- Complete pending
- Complete

### Status Update-12mo

- Open
- Management assumes risk
- Partially Complete
- Complete pending
- Complete

### Status Update-18mo

- Open
- Management assumes risk
- Partially Complete
- Complete pending
- Complete
## Preliminary and Tentative Finding Report Status

<table>
<thead>
<tr>
<th>Status Date</th>
<th>Report No.</th>
<th>Report Title</th>
</tr>
</thead>
<tbody>
<tr>
<td>8/20/2015</td>
<td>2015-104</td>
<td>2014 AG DMS Operational Audit-Statewide Law Enforcement Radio System and Prior Audit-Follow-Up</td>
</tr>
</tbody>
</table>

### Contact Person
- **Bernard Grimesley**  
  Division of Telecommunications  
  Phone No.: 860-922-2963

### Activity
- **SLERS**

<table>
<thead>
<tr>
<th>Finding No.</th>
<th>Date</th>
<th>Finding</th>
</tr>
</thead>
<tbody>
<tr>
<td>3</td>
<td>1/20/2015</td>
<td>The Department had not sought an independent evaluation of, or requested and reviewed independent service auditor's reports related to, the controls designed and established by Harris Corporation (Harris) for the SLERS Communications System Director.</td>
</tr>
</tbody>
</table>

### Recommendation
- We recommend that Department management timely request, obtain, and document review of an independent service auditor's report on the effectiveness of controls established for the CSD.

### Response/Action Plan
- The Department has taken steps to draft a timely request and upon receipt review an independent service auditor's report on the effectiveness of controls established for the Statewide Law Enforcement Radio System (SLERS) Communications System Director (CSD). Additionally, the Department will ensure that future contract language includes a provision allowing for an independent service auditor's report or an independent review of the system's data by Department staff.

### Status Update-4 mo
- **Open**

### Status Update-12 mo
- **Open**

### Status Update-18 mo
- **Open**
# Preliminary and Tentative Finding Report Status

<table>
<thead>
<tr>
<th>Status Date</th>
<th>Report No.</th>
<th>Report Title</th>
</tr>
</thead>
<tbody>
<tr>
<td>8/20/2015</td>
<td>2015-104</td>
<td>2014 AG DMS Operational Audit-Statewide Law Enforcement Radio System and Prior Audit-Follow-Up</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Contact Person</th>
<th>Program/Process</th>
<th>Phone No.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bernard Grimsley</td>
<td>Division of Telecommunications</td>
<td>850-922-2963</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Activity</th>
<th>Accountability</th>
<th>Schedule</th>
</tr>
</thead>
<tbody>
<tr>
<td>SLERS</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Finding No.</th>
<th>Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>4</td>
<td>1/20/2015</td>
</tr>
</tbody>
</table>

**Finding**

Department documentation did not always clearly demonstrate that sufficient contract monitoring had been performed to verify that contractual requirements were met or, if not, that any contractor performance deficiencies were appropriately and timely remedied.

**Recommendation**

We recommend that Department management ensure that contract monitoring activities are appropriately documented to clearly demonstrate that contractual requirements were met and, if not, that any contractor performance deficiencies were timely and appropriately remedied.

**Response/Action Plan**

Contract management processes will continue to be followed, and the Department has already taken steps to draft improved documentation procedures to clearly demonstrate that contractual requirements were met and, if not, that any contractor performance deficiencies were timely and appropriately remedied.

**Status Update - 4mo**

- Open
- Management assumes risk
- Partially Complete
- Complete pending
- Complete

Division of Telecommunications has documented procedures that clearly demonstrate that contractual requirements are met, and if they are not met that any contractor performance deficiencies are timely and appropriately remedied. Also, Division of Telecommunications is in the process of working with DMS Purchasing to verify the QA program that has been implemented is in line and in accordance with those created by DMS Purchasing.

**Status Update - 12mo**

- Open
- Management assumes risk
- Partially Complete
- Complete pending
- Complete

**Status Update - 18mo**

- Open
- Management assumes risk
- Partially Complete
- Complete pending
- Complete
<table>
<thead>
<tr>
<th>Status Date</th>
<th>Report No.</th>
<th>Report Title</th>
</tr>
</thead>
<tbody>
<tr>
<td>8/20/2015</td>
<td>2015-104</td>
<td>2014 AG DMS Operational Audit-Statewide Law Enforcement Radio System and Prior Audit-Follow-Up</td>
</tr>
</tbody>
</table>

**Contact Person**
- Tom Berger

**Activity**
- Florida Facilities Pool (FFP)

**Program/Process**
- Real Estate Development and Management (REDM)

**Phone No.**
- 850-487-9921

<table>
<thead>
<tr>
<th>Accountability</th>
<th>Schedule</th>
</tr>
</thead>
<tbody>
<tr>
<td>Responsible Unit</td>
<td>Repeat Finding</td>
</tr>
<tr>
<td>REDM</td>
<td>Yes</td>
</tr>
</tbody>
</table>

**Finding**

Improvements are still needed to ensure that leases for all Florida Facilities Pool space are accounted for and that the rental rates for all FFP space are assessed in appropriate amounts.

**Recommendation**

We again recommend that Department management ensure that leases for all FFP space are accounted for and that the rental rates for all FFP space are assessed in appropriate amounts.

**Response/Action Plan**

 Lease 9004108 is space for the Emergency Operations Center for use during emergency operations and for training. The agency has been notified that they must include the cost of rent in their next funding cycle. The Department has taken proactive steps to modify the full service lease rate effective July 1, 2016. The Department is working on converting leases 9112230 and 9452228 to a Memorandum of Understanding between DMS, the Florida House of Representatives and the Department of State. Lease 9717663 has been closed. The space has been modified into an existing lease with FDLE. Lease 9007664 has been designated as food service space. The current vendor contract expires in 2019. The lease will be addressed at that time.

**Status Update-6mo**

- Lease 900:4108, DEM-This lease has been cancelled effective 8/11/15; Lease 911:22230, Legislative-Historic Capitol-This lease has been cancelled effective 8/11/15; Lease 945:2226, Department of State Historic Capitol-This lease has been cancelled effective 8/11/15; Lease 900:7664, Sharkey’s-Amendment number 3 of contract DMS-08/09-096 renews contract until June 30, 2016. This contract still has 3 years of renewal remaining based on the original lease renewal options. See attachment 1 (Amendment number 3) and draft leases 900:7671 (Capitol) and 900:2705 (CCOC West, Building 2).

**Status Update-12mo**

- Open
- Partially Complete
- Complete pending
- Complete

**Status Update-18mo**

- Open
- Partially Complete
- Complete pending
- Complete
### Preliminary and Tentative Finding Report Status

<table>
<thead>
<tr>
<th>Status Date</th>
<th>Report No.</th>
<th>Report Title</th>
</tr>
</thead>
<tbody>
<tr>
<td>8/20/2015</td>
<td>2015-104</td>
<td>2014 AG DMS Operational Audit-Statewide Law Enforcement Radio System and Prior Audit-Follow-Up</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Contact Person</th>
<th>Program/Process</th>
<th>Phone No.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Kelly McMullen</td>
<td>Financial Management</td>
<td>650-487-0950</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Activity</th>
<th>Accountability</th>
<th>Schedule</th>
</tr>
</thead>
<tbody>
<tr>
<td>FLAIR</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Finding No.</th>
<th>Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>6</td>
<td>1/20/2015</td>
</tr>
</tbody>
</table>

**Finding**

As similarly noted in our report No. 2013-090, incompatible Florida Accounting Information Resource Subsystem (FLAIR) access privileges were granted to a number of employees and the Department did not always timely cancel FLAIR access privileges upon an employee's separation from Department employment.

**Recommendation**

We recommend that Department management ensure that periodic reviews of FLAIR access privileges are appropriately conducted to identify and remove any excess or incompatible privileges granted to employees. We also recommend that Department management ensure that FLAIR access privileges are canceled immediately upon a user's separation from employment.

**Response/Action Plan**

The Department is actively reviewing notifications of employee terminations upon receipt to determine whether the employee has FLAIR access. As a general practice, FLAIR access is deleted no later than one business day following the employee’s termination. In addition, the Bureau of Financial Management Services is reviewing FLAIR access control quarterly to ensure all active user access is still appropriate. Regarding incompatible FLAIR roles, the Bureau of Financial Management has reviewed all FLAIR user access and has researched all instances of incompatible roles. In some cases, tasks have already been reassigned to ensure that proper segregation of duties exists and internal controls are in place. In the case of limited staff, such as in the Control Section, the Property Section and in the Division of State Group Insurance, a few staff will retain access which would normally be considered 'incompatible roles'. In these cases, compensating controls exist, such as supervisors reviewing work on a regular basis. In addition, other staff members within the department review property, disbursement and revenue transactions on a weekly or monthly basis, providing an additional level of checks and balance.

**Status Update-6mo**

- Open
- Management assumes risk
- Partially Complete
- Complete pending
- Complete

**Status Update-12mo**

- Open
- Management assumes risk
- Partially Complete
- Complete pending
- Complete

**Status Update-18mo**

- Open
- Management assumes risk
- Partially Complete
- Complete pending
- Complete