



FLORIDA DEPARTMENT of

# management SERVICES

We serve those who serve Florida

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Rick Scott, Governor

Chad Poppell, Secretary

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

Status Date	Report No.	Report Title	
8/20/2015	2015-104	2014 AG DMS Operational Audit-Statewide Law Enforcement Radio System and Prior Audit-Follow-Up	
Contact Person	Program/Process	Phone No.	
Bernard Grimsley	Division of Telecommunications	850-922-2963	
Activity	Accountability	Schedule	
SLERS	Responsible Unit	Repeat Finding	Anticipated Completion Date
	Division of Telecommunications	No	1-Aug-15
Finding			
No.	1		
Date	1/20/2015		
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			
<input type="checkbox"/> Open <input type="checkbox"/> Management assumes risk <input type="checkbox"/> Partially Complete <input type="checkbox"/> Complete pending verification by OIG <input checked="" type="checkbox"/> Complete		Procedures have been finalized and implemented. Supporting documents are the Internal Partner Tracking sheet, signed partner applications, and email correspondence with the applicant.	
Status Update-12mo			
<input type="checkbox"/> Open <input type="checkbox"/> Management assumes risk <input type="checkbox"/> Partially Complete <input type="checkbox"/> Complete pending verification by OIG <input type="checkbox"/> Complete			
Status Update-18mo			
<input type="checkbox"/> Open <input type="checkbox"/> Management assumes risk <input type="checkbox"/> Partially Complete <input type="checkbox"/> Complete pending verification by OIG <input type="checkbox"/> Complete			

## Preliminary and Tentative Finding Report Status

Status Date	Report No.	Report Title	
Audit Response		2014 AG DMS Operational Audit-Statewide Law Enforcement Radio System and Prior Audit-Follow-Up	
Contact Person	Program/Process	Phone No.	
Bernard Grimsley	Division of Telecommunications	850-922-2963	
Activity	Accountability	Schedule	
SLERS	Responsible Unit	Repeat Finding	Anticipated Completion Date
	Division of Telecommunications	No	1-Feb-16
Finding			
No.	2		
Date	1/20/2015		
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	<input type="checkbox"/> Open <input type="checkbox"/> Management assumes risk <input type="checkbox"/> Partially Complete <input type="checkbox"/> Complete pending <input checked="" type="checkbox"/> Complete		
	Policies and procedures have been documented and implemented. Signed policies are attached along with quarterly reports that can be used for policy and procedure validation.		
Status Update-12mo	<input type="checkbox"/> Open <input type="checkbox"/> Management assumes risk <input type="checkbox"/> Partially Complete <input type="checkbox"/> Complete pending <input type="checkbox"/> Complete		
Status Update-18mo	<input type="checkbox"/> Open <input type="checkbox"/> Management assumes risk <input type="checkbox"/> Partially Complete <input type="checkbox"/> Complete pending <input type="checkbox"/> Complete		

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Bernard Grimsley	Division of Telecommunications	850-922-2963	
Activity	Accountability	Schedule	
SLERS	Responsible Unit	Repeat Finding	Anticipated Completion Date
	Division of Telecommunications	No	1-Aug-15
Finding			
No.	3		
Date	1/20/2015		
Finding	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.		
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-6mo	<input checked="" type="checkbox"/> Open <input type="checkbox"/> Management assumes risk <input type="checkbox"/> Partially Complete <input type="checkbox"/> Complete pending <input type="checkbox"/> Complete		
The recommendation and request for an independent service audit was sent to Harris and that request was declined. In the attached document Harris based their decline on the knowledge that the current contract does not require an independent audit report on the effectiveness of controls established for SLERS. The Division of Telecommunications is presently exploring options in order to facilitate this audit at its own expense.			
Status Update-12mo	<input type="checkbox"/> Open <input type="checkbox"/> Management assumes risk <input type="checkbox"/> Partially Complete <input type="checkbox"/> Complete pending <input type="checkbox"/> Complete		
Status Update-18mo	<input type="checkbox"/> Open <input type="checkbox"/> Management assumes risk <input type="checkbox"/> Partially Complete <input type="checkbox"/> Complete pending <input type="checkbox"/> Complete		

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Bernard Grimsley	Division of Telecommunications	850-922-2963	
Activity	Accountability	Schedule	
SLERS	Responsible Unit	Repeat Finding	Anticipated Completion Date
	Division of Telecommunications	No	1-Nov-15
Finding			
No.	4		
Date	1/20/2015		
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-6mo			
<input checked="" type="checkbox"/> Open <input type="checkbox"/> Management assumes risk <input type="checkbox"/> Partially Complete <input type="checkbox"/> Complete pending <input type="checkbox"/> 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			
<input type="checkbox"/> Open <input type="checkbox"/> Management assumes risk <input type="checkbox"/> Partially Complete <input type="checkbox"/> Complete pending <input type="checkbox"/> Complete			
Status Update-18mo			
<input type="checkbox"/> Open <input type="checkbox"/> Management assumes risk <input type="checkbox"/> Partially Complete <input type="checkbox"/> Complete pending <input type="checkbox"/> Complete			

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8/20/2015	2015-104	2014 AG DMS Operational Audit-Statewide Law Enforcement Radio System and Prior Audit-Follow-Up	
Contact Person	Program/Process	Phone No.	
Tom Berger	Real Estate Development and Management (REDM)	850-487-9921	
Activity	Accountability	Schedule	
Florida Facilities Pool (FFP)	Responsible Unit	Repeat Finding	Anticipated Completion Date
	REDM	Yes	7/1/2016
Finding			
No.	5		
Date	1/20/2015		
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 9452226 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	<input type="checkbox"/> Open <input type="checkbox"/> Management assumes risk <input checked="" type="checkbox"/> Partially Complete <input type="checkbox"/> Complete pending <input type="checkbox"/> Complete		
Lease 900:4108, DEM-This lease has been cancelled effective 8/11/15; Lease 911:2230, 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	<input type="checkbox"/> Open <input type="checkbox"/> Management assumes risk <input type="checkbox"/> Partially Complete <input type="checkbox"/> Complete pending <input type="checkbox"/> Complete		
Status Update-18mo	<input type="checkbox"/> Open <input type="checkbox"/> Management assumes risk <input type="checkbox"/> Partially Complete <input type="checkbox"/> Complete pending <input type="checkbox"/> Complete		

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Contact Person	Program/Process	Phone No.	
Kelly McMullen	Financial Management	850-487-0950	
Activity	Accountability	Schedule	
FLAIR	Responsible Unit	Repeat Finding	Anticipated Completion Date
	Financial Management	Yes	1-Mar-15
Finding			
No.	6		
Date	1/20/2015		
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		The Bureau of Financial Management Services has developed written procedures which require that employee FLAIR access is deleted the same day notification is received of employee termination. In addition, the Bureau has implemented a quarterly review of FLAIR access. The last review was completed on August 7, 2015 for the month ended July 31, 2015. The next review will be completed in October 2015 for the month ended September 30, 2015. Subsequent reviews will be completed by the 15th of the month following the end of the quarter.	
<input checked="" type="checkbox"/> Open <input type="checkbox"/> Management assumes risk <input type="checkbox"/> Partially Complete <input type="checkbox"/> Complete pending <input type="checkbox"/> Complete			
Status Update-12mo			
<input type="checkbox"/> Open <input type="checkbox"/> Management assumes risk <input type="checkbox"/> Partially Complete <input type="checkbox"/> Complete pending <input type="checkbox"/> Complete			
Status Update-18mo			
<input type="checkbox"/> Open <input type="checkbox"/> Management assumes risk <input type="checkbox"/> Partially Complete <input type="checkbox"/> Complete pending <input type="checkbox"/> Complete			