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September 26, 2016

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

Dear Melinda:

In accordance with Section 20.055(5)(h), Florida Statutes, attached is the six month status of corrective actions taken in response to Auditor General Report # 2016-159, 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 245-9418 or by email at mike.blackburn@fldoe.org.

Sincerely,

Pam Stewart
Commissioner

Attachment

cc: Mike Blackburn, Inspector General
Martha Asbury, Assistant Deputy Commissioner, Finance, and Operations
Joint Legislative Auditing Committee

Inspector General Mike Blackburn

Department of Education
Inspector General – External Audit Follow-up
Status Report: State Wide Federal Awards 2014-2015
AG Report # 2016-159 Issued: March 29, 2016
Status as of September 29, 2016

| Finding | Recommendation(s) | Management Response as of March 29, 2016 | Management Response as of September 29, 2016 | Anticipated Completion Date & Contact |
|---|--|---|--|---|
| <p>1. FDOE did not follow established procedures to obtain periodic certifications for employees whose salaries and benefits were paid solely from CTE Program funds.</p> | <p>FDOE follow its procedures to obtain semiannual certifications for employees working solely on the CTE Program.</p> | <p>The lack of completed semi-annual certifications was a result of continuing technical issues. The implementation of the procedure relies on a complex technology application to produce the certification statements for the appropriate staff and supervisors. Preparing the certification statements requires a significant amount of programming for each period. The programmers must pull data from the payroll system using the correct grant numbers and time periods. It appears that the technical issues involving both data and technology have been satisfactorily resolved and semi-annual certifications for 2015-16 will be completed consistent with FDOE's procedures.</p> <p><i>Anticipated Completion Date: June 30, 2016 and ongoing</i></p> | <p>The periodic certification for the period ending on June 30, 2016, is currently being completed by the appropriate supervisors.</p> | <p>October 31, 2016 and ongoing</p> <p>Martha Asbury (850) 245-0420</p> |
| <p>2. FDOE Division of Blind Services (DBS) did not follow established procedures to obtain appropriate periodic certifications for employees whose salaries and benefits were paid solely from VR Program funds.</p> | <p>FDOE ensure that the semiannual certifications are obtained for employees working solely on the VR Program in accordance with the established procedures.</p> | <p>FDOE/DBS has begun to address this finding by updating internal procedures that specify the semiannual payroll certification for 100% VR funded employees will be conducted in January (covering the previous 6 months, July 1-November 30) and June (covering the months December 1-May 31). The process has been communicated to all affected employees, their supervisors, and leadership. The certification form has been updated to reflect the</p> | <p>DBS revised its internal Payroll Certification Procedures and certification form to comply with the federal semi-annual payroll certification requirement. The certifications will be conducted and documented as follows: by December 31st, verify the previous 6 month period (June 1 – November 30) and by</p> | <p>Complete</p> <p>Martha Asbury (850) 245-0420</p> |

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| | | <p>correct semiannual period. DBS will continue to coordinate with other FDOE staff on any future updates to this form or process.</p> <p><i>Anticipated Completion Date: July 1, 2016</i></p> | <p>June 30, verify the previous 6 month period (December 1 – May 31). The process is communicated to affected employees, district administrators, and the DBS leadership team via email. Revised documents were provided 4-22-2016 to USDOE/RSA Audit Liaison Officer, Todd Dufford.</p> | |
| <p>3. FDOE Division of Vocational Rehabilitation did not always ensure that eligibility determinations were completed within the time frame required by VR Program regulations or within the authorized extension.</p> | <p>FDOE take steps to ensure the timely completion of eligibility determinations. Such steps should include emphasizing to counselors the importance of timely eligibility determinations.</p> | <p>The FDOE/DVR continues to address adherence to the prescribed procedures at annual Supervisors Meetings, Counselor Trainings, Area Directors Meetings, and Counselor performance reviews. The DVR requires all new counselors to complete an extensive on-line training. This is to be completed during the first six months of employment. This on-line training specifically addresses the eligibility requirements.</p> <p><i>Anticipated Completion Date: Ongoing</i></p> | <p>VR conducted the following training/meetings: New Counselor Training</p> <ul style="list-style-type: none"> • July 21-22, 2015 • August 25-26, 2015 • October 27-28 2016 • December 15-16, 2015 • March 29-30, 2016 <p>Performance Reviews were conducted in June 2015. All new counselors are required to complete a Pre-Work Casework curriculum on Eligibility Determination.</p> | <p>Ongoing Martha Asbury (850) 245-0420</p> |
| <p>4. FDOE did not always communicate to subrecipients deficiencies identified during monitoring or perform follow-</p> | <p>FDOE communicate to subrecipients all deficiencies identified during the subaward monitoring process and perform</p> | <p>The 27 reports referenced above as not issued belonged to 2012-13 and 2013-14 monitoring activities. Since that time, the program office has developed a tracking process to monitor the release</p> | <p>The 21st CCLC Program office has amended its monitoring procedures to ensure that subrecipients receive communication regarding deficiencies</p> | <p>December 31, 2016 Martha Asbury</p> |

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| <p>up procedures to determine whether corrective action was implemented for deficiencies identified during the subaward monitoring process.</p> | <p>follow-up procedures to determine whether corrective action was implemented on deficiencies identified. Additionally, we recommend that the FDOE maintain documentation for all monitoring activities conducted for 21st CCLC Program subrecipients.</p> | <p>of reports and their follow up. This process will help to ensure that reports are issued in a timely manner. For the 27 reports mentioned in that section, the FDOE has begun a process to review the deficiencies identified in the reports and identify an appropriate monitoring plan for each program. Each deficiency from the original report is being reviewed to ensure that necessary corrective actions have or are being taken. The monitoring strategies that will be used include site visits, desktop monitoring, and onsite monitoring. The program office has already begun implementing the monitoring strategies.</p> <p><i>Anticipated Completion Date: All monitoring activities related to the 27 projects listed above will be completed by December 31, 2016. The tracking of release of reports and follow up has been initiated.</i></p> | <p>identified during monitoring and follow-up on the implementation of corrective action plans. In general terms, the Program office has implemented the following steps:</p> <ul style="list-style-type: none"> • Exit Conference at the end of the field work • Follow-up email communication reviewing the topics covered in the exit interview • Tracking sheet of monitoring activities • Identified one staff member responsible for reviewing and tracking monitoring activities (Monitoring and Compliance Unit Lead) <p>Further, the 21st CCLC Program Office is in the process of monitoring the programs identified as not receiving timely communication during the 2014-15 Audit. The finding was based on monitoring activities that took place in program year 2013-14. Monitoring activities for those programs identified by the audit and still in existence are</p> | <p>(850) 245-0420</p> |

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| | | | scheduled to be completed by December 31, 2016. | |
| <p>5. FDOE did not modify subaward agreements to notify subrecipients that, as of January 2015, the terms and conditions of the Federal award had been revised.</p> | <p>FDOE management ensure that subrecipients are timely notified of changes in Federal award terms and conditions.</p> | <p>Although the existing subawards for 2014-15 were not modified, updates were made to the 2015-16 grant awards and the following notification tasks were completed by FDOE staff which helped ensure timely information was provided to the 30 impacted subrecipients:</p> <ol style="list-style-type: none"> 1. Updates to FDOE program guidance files were made from January - August 2015 to ensure changes related to new regulations were captured for in-house staff and all subrecipients. 2. FDOE staff attended or conducted training for subrecipients on grant award updates related to the new regulations. Training opportunities were provided from April 2014 through August 2015. 3. New grant awards for 2015-16 were updated to include grant award ID elements as required by 2 CFR 200.331(a). <p>FDOE staff will continue to perform the following preventive/corrective action tasks to ensure continued timely notification of new regulations is provided to FDOE subrecipients:</p> <ol style="list-style-type: none"> 1. Perform routine grant award reviews/updates each program year. 2. Maintain a dedicated grant agreement network site | <ol style="list-style-type: none"> 1. Updates to FDOE program guidance files were made from January - August 2015 to ensure changes related to new regulations were captured for in-house staff and all subrecipients. 2. FDOE staff attended or conducted training for subrecipients on grant award updates related to the new regulations. Training opportunities were provided from April 2014 through August 2015. 3. New grant awards for 2015-16 were updated to include grant award ID elements as required by 2 CFR 200.331(a). | <p>Complete Martha Asbury (850) 245-0420</p> |

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| | | <p>available to all subrecipients with copies of federal regulations, state statutes and other program guidance reference materials.</p> <p>3. Conduct webinars, phone conferences and/or group and in-person training updates each program year, with participation by all subrecipients encouraged.</p> <p>4. Perform follow-up tasks and provide additional technical assistance to individual subrecipients as requested or as needed.</p> <p><i>Anticipated Completion Date: Complete and Ongoing</i></p> | | |