



FLORIDA
DEPARTMENT of
CORRECTIONS

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RICK SCOTT
Secretary
JULIE L. JONES

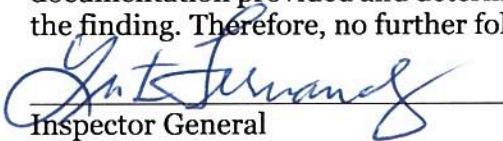
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<http://www.dc.state.fl.us>

TO: Julie L. Jones, Secretary
FROM: Lester Fernandez, Inspector General
DATE: April 14, 2017
SUBJECT: FOLLOW-UP AUDIT REPORT NO. A17005F – DEPARTMENT OF CORRECTIONS
FOOD PRODUCTS AND DELIVERY CONTRACT OPERATIONAL AUDIT, REPORT
NO. 2017-038

The Bureau of Internal Audit performed a follow-up audit to the Auditor General's Food Products and Delivery Contract, Operational Audit, Report No. 2017-038, issued in October 2016. The objectives of this follow-up were to determine if corrective action was taken on the reported audit finding and/or whether the action taken corrected or should correct the finding identified in the original report.

The scope of the follow-up consisted of obtaining from the Office of Administration a written response along with documentation of corrective action taken to implement the audit recommendation. The Bureau of Internal Audit has evaluated the follow-up response and documentation provided and determined that corrective action has been completed and corrected the finding. Therefore, no further follow-up will be conducted by the Bureau of Internal Audit.


Inspector General

LF/PS/dm
Attachment

cc: Steven Fielder, Chief of Staff
Kimberly Banks, Chief Financial Officer
Janie Westberry, Director of Administration
Chief Inspector General
Joint Legislative Auditing Committee
Kenneth Sumpter, Deputy Inspector General

FLORIDA DEPARTMENT OF CORRECTIONS

***Follow-up of Auditor General's Report 2017-038
Department of Corrections Food Products and Delivery
Contract Operational Audit***

Lester Fernandez, Inspector General

Report #A17005F

Paul R. Strickland, Chief Internal Auditor

April 14, 2017

BACKGROUND

State law specifies that the purpose of the Florida Department of Corrections (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. According to Department records, the Department operates the third largest state prison system in the United States. In May 2014, the Department contracted with Cheney Brothers, Inc. to provide food products for inmates housed in a majority of Department-operated facilities. Pursuant to the contract, Cheney Brothers, Inc. was to supply and deliver to the Department the food and non-food products included on the Master Products List. Department personnel utilized the food products provider's online ordering system to order products from the Master Products List. Department payments to the food products provider totaled approximately \$99 million during the period November 2014 through June 2016. In October 2016, the Office of the Auditor General published Report No. 2017-038, Department of Corrections, Food Products and Delivery Contract, Operational Audit.

OBJECTIVES

The follow-up objectives were to determine:

- if corrective action was taken on reported audit finding; and
- whether the action taken corrected or should correct the finding in the original audit report.

SCOPE AND METHODOLOGY

The scope of the follow-up consisted of obtaining from the Office of Administration a written response along with documentation of corrective action taken to implement the audit recommendation.

RESULTS OF AUDIT

Finding: The Department did not always conduct or adequately document monthly audits of the food products provider's compliance with required specifications for approved food and non-food products.

Recommendation: Department management ensure that monthly audits of the food products provider's compliance with Master Product Specifications are conducted and adequately documented.

Management's Original Response: *The Florida Department of Corrections (FDC) concurs with the recommendation and as a result, Department staff has already begun conducting monthly food product specification audits utilizing a monitoring tool specifically designated for this purpose. These audits will be conducted in coordination with the Department's monthly food service operational audits performed by staff dedicated to the monitoring of this contract and the FDC's food service operations. Utilization of a formal monitoring tool, specifically designed to review food and non-food items to ensure quality standards, weights, quantities, manufacturers and brands, will provide adequate documentation to ensure contractor compliance with the FDC's Master Product Specifications. Additionally, conducting these audits in conjunction with the monthly food service operational audits will ensure consistent monitoring on a monthly basis to ensure the FDC staff is meeting the monitoring methodology of the contract.*

Management's Follow-Up Response: *The Department developed a formal monitoring tool specifically designed to review food and non-food items to ensure quality standards, weights, quantities, manufacturers, and brands. Effective November 2016, audits of the food and non-food items are conducted on a monthly basis. Non-compliance findings are documented and corrective action plans are approved by the contract manager. The effectiveness of the corrective action plan is evaluated on the next monitoring review.*

Bureau of Internal Audit Comments: The Office of Administration has taken steps to address the finding. The Office of Administration provided a copy of their Sampling of Food Products Contract Monitoring Tool and examples of monitoring visits conducted in March 2017 and February 2017. No further follow-up will be conducted.