



STATE OF FLORIDA

DIVISION OF EMERGENCY MANAGEMENT

RICK SCOTT
Governor

BRYAN W. KOON
Director

February 3, 2017

Bryan Koon
Director
Division of Emergency Management
2555 Shumard Oak Boulevard
Tallahassee, Florida, 32399-2100

Re: **Auditor General Report No. 2016-159**
State of Florida – Compliance and Internal
Controls Over Financial Reporting and
Federal Awards
FY 2014-2015

Dear Director Koon:

As required by Section 20.055(6)(h), Florida Statutes, the six month status report for the subject audit is attached. The report details the implementation or current status of each recommendation.

If you have any questions, please call me at 815-4151

Sincerely,

A handwritten signature in blue ink that reads "Ronnie Atkins".

Ronnie Atkins,
Deputy Inspector General

RA: ac

Enclosure

CC: Jonathan Lord, Deputy Director
Kathy Dubose, Staff Director
Joint Legislative Auditing Committee
JLAC@leg.state.fl.us
Melinda Miguel, Chief Inspector General

**Florida Division of Emergency Management
Six-month Follow-up to the
Office of Auditor General
State of Florida – Compliance and Internal Controls Over Financial
Reporting and Federal Awards
FY 2014-2015 Report #: 2016-159**

Finding No. 2015-043: IT Operational Audit Report No. 2016-102

The Florida Public Assistance System (FloridaPa.org) is a Web-based portal used to managed the Disaster Grants – Florida Public Assistance programs relating to disaster relief and recovery. In our information technology operational audit report No. 2016-102, dated March 2016, we disclosed in Findings 1 through 4, 6, 8, and 9, deficiencies related to FloridaPA.org regarding security controls that we consider collectively to be a significant deficiency. Details of the findings and recommendations are included in that report.

Recommendation:

Details of the findings and recommendations are included in audit report No. 2016-102.

FDEM Response:

The Recovery Bureau concurred with the findings.

Six-month Follow-up Response:

Procedures are being developed and certain processes have been changed to improve data security.

Completion Date: August 2017 - Partially complete.

Finding No. 2015-044: HSGP Documentation and Procedures

The FDEM was unable to provide a complete list of subrecipients monitored and monitoring documentation was not always adequate to support the monitoring conclusions. Additionally, the FDEM did not always follow established policies and procedures for subrecipient monitoring and the policies and procedures needed enhancement.

Recommendation:

We recommend that the FDEM strengthen monitoring policies and procedures to address the issuance of final monitoring reports and follow-up procedures, as well as to identify the methodology used to select subrecipients for on-site monitoring or desk reviews, and the number of monitoring activities to be conducted annually. We also recommend that the FDEM maintain a complete and accurate listing of all subrecipients subject to monitoring and that the conclusions made during monitoring are adequately supported. In addition, we recommend that the FDEM maintain monitoring reports documenting the results of all on-site monitoring visits in FDEM subrecipient award files.

FDEM Response:

We concur with the finding. The Bureau of Preparedness will strengthen its monitoring policies and procedures to address the issuance of final monitoring reports and follow-up procedures, as well as to identify the methodology used to select subrecipients for on-site monitoring and desk reviews, and the number of monitoring activities to be conducted annually. The Bureau of Preparedness will establish procedures to ensure that a complete and accurate listing of all subrecipients subject to monitoring and that the conclusions made during monitoring are adequately supported. The Bureau of Preparedness will also establish procedures to ensure that monitoring reports documenting the results of all on-site monitoring visits are maintained in FDEM subrecipient award files.

Six-month Follow-up Response:

The Bureau of Preparedness has created a Sub-Recipient Monitoring Plan and Procedures Handbook to address the issuance of final monitoring reports and follow-up procedures effective in October 2016. The Bureau of Preparedness has also issued a policy requiring monitoring visit documentation be maintained within the sub-recipient files.

Completion Date: Completed

Finding No. 2015-045: HSGP Funds Not Obligated Within 45 Days

The FDEM did not adequately track Federal funds awarded and did not obligate 80 percent of the 2014 HSGP funds to local governments within 45 days after the receipt of the grant award.

Recommendation:

We recommend that FDEM management take appropriate action to ensure HSGP award funds are timely obligated. We further recommend that the FDEM establish procedures to document the date subaward contracts are submitted to units of local government.

FDEM Response:

We concur with the finding. The Bureau of Preparedness will establish procedures to ensure HGSP award funds are timely obligated and document the date subaward contracts are submitted to units of local government.

Six-month Follow-up Response:

The Bureau of Preparedness has created a Sub-Recipient Monitoring Plan and Procedures Handbook to ensure HGSP award funds are timely obligated and document the date sub award contracts are submitted to units of local government.

Completion Date: Completed

Finding No. 2014-042: Access to FloridaPA.org and Mitigation.org

The Florida Division of Emergency Management (FDEM) did not always maintain documentation to ensure that access to the FloridaPA.org and Mitigation.org applications was accessible only to authorized users.

Recommendation:

We recommend that the FDEM establish procedures addressing the preparation and maintenance of user access authorization documentation and that such procedures be properly implemented to ensure that IT applications are accessible only to authorized users and for authorized purposes.

FDEM Response:

Pursuant to the State Agency Response and Corrective Action Plan, FDEM has fully implemented written processes that ensure the preparation and maintenance of user access authorization documentation to ensure that all IT systems and applications are accessible only to authorized users and for authorized purposes. These processes are currently being incorporated into formal agency procedures.

Six-month Follow-up Response:

The Division has created a draft procedure to ensure that all IT systems and applications are accessible only to authorized users and for authorized purposes. IT is in the process of having this procedure approved through the Division's Standard Operating Procedure.

Completion Date: August 2017- Incomplete

Finding No. 2014-045: Subgrantee Requests for Reimbursement

The FDEM did not always require adequate documentation be submitted by subgrantees to substantiate amounts requested for reimbursement. Additionally, one subgrantee was reimbursed for payments for unused leave charged directly to the Program, contrary to Federal regulations.

Recommendation:

We recommend that the FDEM ensure subgrantee requests for reimbursement are adequately supported and that amounts are paid in accordance with OMB Circular A-87.

FDEM Response:

Domestic Security Grant staff have been instructed to properly review grant files to ensure reimbursements are adequately supported and amounts paid are in accordance with OMB Circular A-87 and other related guidance documents. For the next 90 days programmatic staff will sample files to ensure expenditures are supported with appropriate source documentation (e.g. copies of invoices, timesheets, sign-in sheets, etc.). Upon completion of the sample period, FDEM Office of Domestic Security Sub-Recipient Grant Handbook will be updated a appropriate and staff/sub-recipients will follow procedures outlined in this document.

Six-month Follow-up Response:

The Bureau of Preparedness has created a Sub-Recipient Monitoring Plan and Procedures Handbook to ensure HGSP award funds are timely obligated and document the date sub award contracts are submitted to units of local government.

Completion Date: Completed