

**Mission:**

To protect, promote & improve the health of all people in Florida through integrated state, county & community efforts.

**Ron DeSantis**

Governor

**Scott A. Rivkees, MD**

State Surgeon General

**Vision:** To be the **Healthiest State** in the Nation

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March 25, 2021

Scott A. Rivkees, MD  
State Surgeon General  
4052 Bald Cypress Way  
Tallahassee, Florida 32399

Dear Dr. Rivkees:

Pursuant to section 20.055(6)(h), Florida Statutes, our office is to update you on the status of corrective actions taken since March 25, 2020, when the Office of the Auditor General published its Report Number 2020-170, *State of Florida Compliance and Internal Controls Over Financial Reporting and Federal Awards For the Fiscal Year Ended June 30, 2019*.

We are pleased to announce that at 12 months after publication, management reports six of the corrective action plans made in response to recommendations from the Office of the Auditor General have been completed and one is still in progress. We will update you on the remaining open corrective action again in six months.

If I may answer any questions, please let me know.

Sincerely,

Michael J. Bennett, CIA, CGAP, CIG  
Inspector General

MJB/akm  
Enclosure

cc: Melinda M. Miguel, Chief Inspector General, Executive Office of the Governor  
Lisa Norman, CPA, Office of the Auditor General  
Kathy DuBose, Staff Director, Joint Legislative Auditing Committee  
Courtney F. Coppola, Chief of Staff  
Shamarial Roberson, DrPH, MPH, Deputy Secretary for Health  
Mike Mason, Assistant Deputy Secretary for Health  
Michele Tallent, Deputy Secretary for Operations  
Robert D. Karch, MD, MPH, FAA, Deputy Secretary for Children's Medical Services  
Ed McEachron, Director, Division of Administration

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**Florida Department of Health****Office of Inspector General**

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## Status of Corrective Action Plans



**Report Number:** 2020-170

**Report Title:** *State of Florida Compliance and Internal Controls Over Financial Reporting and Federal Awards*

**Report Date:** March 25, 2020

**Status As Of:** March 25, 2021

No.	Finding	Recommendation	Corrective Action Plan	Status of Corrective Action Plan
2019-003	The Florida Department of Health (FDOH) did not include the correct citations to Federal regulations in subaward agreements.	We recommend that FDOH management revise the Permanent Contract to ensure that subrecipients are appropriately notified of the correct Federal regulations.	<p>The Bureau of Child Care Food Programs (CCFP) is working with the Office of General Counsel (OGC) on an amendment to the Permanent Contract for CCFP contractors that executed agreements from July 1, 2019 through January 31, 2020. The existing Permanent Contract has been updated with the correct citations from 2 Code of Federal Regulations Part 200 (Uniform Guidance) and will be used for any new contractors that come on the program starting February 1, 2020. CCFP is also working with OGC on comprehensive revisions to the Permanent Contract and Attachments which will be given to all 2,200+ subrecipients for execution on or before June 30, 2020.</p> <p>As part of the annual renewal process, all subrecipients are notified of the applicable Uniform Guidance requirements through a question on the renewal application, through financial management training, and through an Audit Report Certification Form sent to all CCFP contractors from FDOH Federal Compliance and Audit Management section.</p>	<p><b>In progress.</b></p> <p>CCFP continues to work with OGC on comprehensive revisions to the entire CCFP Permanent Contract and Attachments, which will be given to all 2,200+ participating institutions (i.e., subrecipients) for execution upon completion of the revisions. Due to the shift in work priorities due to the COVID-19 response, CCFP will not meet its internal goal of having the revised Permanent Contract ready for execution by June 30, 2021. The expected execution date is now the start of the Program's Federal Fiscal Year.</p> <p>Additionally, as part of the annual renewal process, all subrecipients are notified of the applicable Uniform Guidance requirements through a question on the renewal application, through financial management training, and through an Audit Report Certification Form sent to all CCFP contractors from FDOH's Federal Compliance and Audit Management section.</p> <p><i>Anticipated Completion Date: December 31, 2021</i></p>

*State of Florida Compliance and Internal Controls Over Financial Reporting and Federal Awards – Fiscal Year Ended June 30, 2019*  
12-Month Status as of March 25, 2021

<b>No.</b>	<b>Finding</b>	<b>Recommendation</b>	<b>Corrective Action Plan</b>	<b>Status of Corrective Action Plan</b>
2019-025	The FDOH did not verify that all applicable subrecipients were audited or timely issue management decisions for subrecipient audit findings.	We recommend that the FDOH take steps to verify that audit reports from all applicable subrecipients are timely obtained and reviewed to ensure that the subrecipients took timely and appropriate action to address all applicable deficiencies and to facilitate the timely issuance of management decisions.	FDOH agrees that out of 2,499 records, 7 providers (5 sub-recipients from the Child and Adult Care Food Program and 2 from HIV Care Formula Grant) were omitted from the Export_FLAIR_Master File FDOH uses to generate certification forms to sub-recipient providers. The glitch was discovered, and the program codes were updated by the Florida Accounting Information Resource system team on November 11, 2019. FDOH will perform a review of the Master File program codes each year prior to running the report to further reduce the potential for a similar incident. In addition, FDOH will modify the Single Audit report review workflow beginning July 1, 2020 to prioritize management decision letters to those providers with audit findings at the start of each audit reporting cycle rather than on a first in/first out method. This will allow FDOH to meet the additional workload requirements under the Uniform Guidance while at the same time increasing the compliance level for the timeline prescribed under 2 CFR 200.521 - management decision for audit findings.	<b>Completed.</b>  The Single Audit review process was overhauled to address the recommendations; meet the added volume of recipients/sub-recipient agreements that are subject to Single Audit review/compliance requirements; add efficiencies to handle staff shortage and turn overs and add additional automation features to improve and track communications with providers, local Certified Public Accountants, and FDOH program offices.
2019-026	FDOH expenditures charged to the Immunization Cooperative Agreements program were not always incurred during the authorized period of performance.	We recommend that the FDOH enhance review procedures to ensure that costs are attributable to the authorized period of performance and are charged to the correct grant.	Moving forward, when fiscal codes (Other Cost Accumulators (OCA) and Grant Number) for a new grant year are updated, all monthly expenditures will be audited internally by the Immunization Section's grant analyst and the Bureau of Epidemiology's grant manager to ensure that each payment is charged to the appropriate grant OCA for the time period indicated on the invoices. Any necessary corrections will be made as soon as they are identified and verified prior to the submission of the Federal Financial Report.	<b>Previously completed.</b>

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*State of Florida Compliance and Internal Controls Over Financial Reporting and Federal Awards – Fiscal Year Ended June 30, 2019*  
12-Month Status as of March 25, 2021

No.	Finding	Recommendation	Corrective Action Plan	Status of Corrective Action Plan
2019-026			<p>Additionally, the program office will communicate with county health departments and other partners, to review invoices to ensure they were processed with the correct coding and reflect the correct period of performance.</p> <p>These new processes will ensure the program complies with the project period integrity for each year of the grant.</p>	
2019-027	<p>FDOH records did not always demonstrate that access to the Provider Education Assessment and Reporting system (PEAR) was only granted to authorized users and that the access privileges granted were appropriate.</p>	<p>We recommend that the FDOH establish procedures addressing the preparation and maintenance of PEAR user access authorization documentation.</p>	<p>Vaccines for Children (VFC) Field Staff are responsible for conducting VFC-related site visits at VFC-enrolled provider sites. Requirements for conducting these types of visits are outlined in the Centers for Disease Control and Prevention's (CDC's) Immunization Program Operations Manual and its VFC Operations Guide. For purposes of conducting VFC-related site visits, field staff are referred to as reviewers.</p> <p>Reviewers joining the VFC program must have access to CDC's Provider Education Assessment and Reporting system (PEAR). Access to PEAR is initiated by the Immunization Section's VFC Unit. Access to PEAR is granted by the CDC. Once access to PEAR is granted by the CDC, the VCF Unit can manage a reviewer's status (deactivate or reactivate reviewers and update reviewer email addresses, as applicable).</p> <p>To initiate the process of gaining PEAR access:</p> <ol style="list-style-type: none"> <li>1. The VFC Unit's Manager (VFC Manager) or VFC Assistant Manager will provide the site visit reviewer with PEAR Access Request Form.</li> <li>2. The reviewer will complete the form and return it to the VFC Manager or Assistant Manager.</li> <li>3. The VFC Manager or Assistant Manager will sign the form.</li> </ol>	<p><b>Previously completed.</b></p>

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*State of Florida Compliance and Internal Controls Over Financial Reporting and Federal Awards – Fiscal Year Ended June 30, 2019*  
12-Month Status as of March 25, 2021

No.	Finding	Recommendation	Corrective Action Plan	Status of Corrective Action Plan
2019-027			<p>4. The signed form will be scanned and emailed to the CDC Public Health Advisor.</p> <p>5. The CDC Public Health Advisor (PHA) will email CDC's Project Officer asking that the reviewer be granted access to the CDC's Secure Access Management Services (SAMS) system.</p> <p>6. SAMS will send an email invitation to join SAMS along with identity proofing documents.</p> <p>7. The reviewer will complete the identity proofing document and provide it to the PHA for signature.</p> <p>8. The PHA will sign the form, scan the form along with the PEAR.</p> <p>Access Request Form and store it at the following location: I:\IMM\Field Operations\PEAR Access Requests.</p> <p>9. The reviewer will then email the completed identity proofing document to SAMS, as instructed by the CDC invitation to join SAMS.</p>	

*State of Florida Compliance and Internal Controls Over Financial Reporting and Federal Awards – Fiscal Year Ended June 30, 2019*  
12-Month Status as of March 25, 2021

No.	Finding	Recommendation	Corrective Action Plan	Status of Corrective Action Plan
2019-032	The FDOH did not obtain or review the required independent service auditor's report that would ensure that the service organization's internal controls related to processing Children's Medical Services (CMS) medical claims payments were appropriately designed and operating effectively.	We recommend that the FDOH ensure that the service organization's internal controls related to CMS medical claims payments are appropriately designed and operating effectively by obtaining and reviewing an independent service auditor's report and, as necessary, ensuring appropriate corrective action is taken to resolve noted deficiencies.	<p>FDOH CMS Plan management fund appropriately designed and effective medical claims payment systems with two third-party administrators (TPA) as of February 1, 2019. MED3000 is the TPA for the service delivery model that ended January 31, 2019. WellCare Health Plans (WellCare) is contractually responsible to FDOH CMS Plan management as the TPA for the service delivery model implemented February 1, 2019. The FDOH CMS Plan management will continue to require compliance from the two TPAs providing CMS Plan services. For example, the CMS Plan management received WellCare's independent service auditor's report for the period April 1, 2018 through March 31, 2019.</p> <p>While MED3000 made a business economies of scale decision to not comply with the annual System and Organization Controls (SOC) 1 Type II Audit and Health Information Portability and Accountability Act Compliance Review, other internal controls and processes have remained in place. CMS Plan management will continue to execute internal controls for the MED3000 claims lag payment and continue to seek compliance regarding the breach of the requirement for the SOC 1 report.</p>	Previously completed.

*State of Florida Compliance and Internal Controls Over Financial Reporting and Federal Awards – Fiscal Year Ended June 30, 2019*  
12-Month Status as of March 25, 2021

No.	Finding	Recommendation	Corrective Action Plan	Status of Corrective Action Plan
2019-039	The FDOH did not correctly report the hours worked or the equivalent full-time positions for employees engaged in activities related to the DI/SSI Cluster on a Federal report.	We recommend that the FDOH take appropriate steps, including identifying the system error and enhancing review processes, to ensure amounts reported on United States Social Security Administration (SSA) SSA-4514 forms submitted to the SSA are accurate.	<p>Florida Division of Disability Determinations' (DDD) Finance and Accounting (F&amp;A) in conjunction with DDD's Bureau of Information Services has identified the error as a general network error that occurred while downloading the People First data. This error caused only a portion of the timesheet data to be downloaded and processed for this report.</p> <p>DDD's Bureau of Information Services is adding an automated check that will verify the integrity of the data that has been downloaded. F&amp;A is also implementing an internal monitoring tool that will compare the previous report submission with the current report to identify abnormal changes in hours being reported, from quarter to quarter. This monitoring tool will be reviewed by management in conjunction with the SSA-4514 form prior to submission to SSA. The next SSA-4514 submission is due by April 30th.</p>	<b>Previously completed.</b>
AM 2019-03	The FDOH did not properly account for all construction work in progress and recorded incorrect amounts for construction work in progress to Capital assets, net and Human services, expenses for the 2017-18 and 2018-19 fiscal years.	We recommend that FDOH management enhance controls to ensure that the Bureau of General Services (BGS), the Office of Budget and Revenue Management (OBRM), and the Bureau of Finance and Accounting (BFA) staff adhere to established policies and procedures for accounting for construction work in progress and current expenditure amounts.	<p>FDOH will be reviewing and updating procedures for the Preparation of Financial Statements, and training applicable staff to ensure that all are adhering to the established procedures. Additionally, the construction work in progress spreadsheet will be prepared by BGS and provided to BFA and OBRM to ensure the same report is used consistently throughout the agency.</p>	<b>Previously completed.</b>