



**State of Florida
Department of Children and Families**

Ron DeSantis
Governor

Shevaun L. Harris
Secretary

DATE: October 20, 2023 JLAC RECEIVED
10-20-23
TO: Shevaun L. Harris, Secretary
FROM: Keith R. Parks, Inspector General *KRP*
SUBJECT: Six-Month Status Report for Auditor General Report No. 2023-174

In accordance with § 20.055(6)(h), Florida Statutes, enclosed is our six-month corrective action status report on the Auditor General State of Florida Compliance and Internal Controls Over Financial Reporting and Federal Awards Audit issued in March 2023. The purpose of the status report is to provide information on Department progress in implementing corrective actions.

The Offices of Information Technology Services, Economic Self-Sufficiency, and Revenue Management provided updates and the status of implementation to the applicable findings.

If I may be of further assistance, please let me know.

Enclosure

cc: Molly McKinstry, Chief of Staff
Melinda Miguel, Chief Inspector General, Executive Office of the Governor
Joint Legislative Auditing Committee

KRP/tw

**Department of Children and Families – State of Florida
Compliance and Internal Controls Over Financial Reporting and Federal Awards
Auditor General Report No. 2023-174, Issued March 2023**

Findings	Recommendation	Agency Response	Corrective Action Status
<p>Finding 2022-026: The FDCF did not always correctly report performance data in ERA monthly reports and FDCF records did not support financial data included in ERA quarterly reports.</p>	<p>We recommend that the FDCF ensure that the data submitted on ERA reports is accurate and adequately supported by FDCF records.</p>	<p>In January 2022, to ensure the accuracy of reports provided, specifically required data elements in the supporting files, the Florida Department of Children and Families (FDCF) made improvements to the reporting process with the vendor. To ensure overall compliance with the Emergency Rental Assistance Program, the FDCF hired a vendor to conduct a financial and reconciliation review and an eligibility compliance review of the program.</p>	<p>Partially Corrected The Department contracted with a vendor to conduct a financial reconciliation and eligibility compliance review of the ERA program.</p>
<p>Finding 2022-034: Certain security controls related to user authentication for the Florida Online Recipient Integrated Data Access (FLORIDA) system need improvement to ensure the confidentiality, integrity, and availability of FLORIDA system data and related information technology (IT) resources.</p>	<p>We recommend that FDCF management improve certain security controls related to FLORIDA system user authentication to ensure the confidentiality, integrity, and availability of FLORIDA system data and related IT resources.</p>	<p>February 27, 2023, the Florida Department of Children and Families enhanced compensating controls related to the FLORIDA system user authentication to ensure the confidentiality, integrity, and availability of FLORIDA system data and related IT resources. We are not disclosing the specific details of the enhancements in this report to avoid the possibility of compromising FLORIDA system data and related IT resources.</p>	<p>Not Corrected The finding remains “Not Corrected” based on the risk associated with implementing the security controls related to the FLORIDA System user authentication with the current system poses critical threats to the application, Department mission, and Floridians who apply and receive essential benefits via the FLORIDA System. On February 27, 2023, the Department implemented control to mitigate risk associated with the current user authentication process.</p>

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			<p>The Department continues evaluating specific security controls related to user authentication for the FLORIDA system and has established a multi-year ACCESS modernization project to address this finding. As of June 30, 2023, the projected timeline to remediate user authentication configuration will be in phase six of the modernization initiative, State Fiscal Year (SFY) 2027-2028.</p>

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<p>Finding 2022-036:</p> <p>The FDCF did not always timely deactivate the Florida Online Recipient Integrated Data Access (FLORIDA) system access privileges for employees who separated from FDCF employment, and, in one instance, a former employee used their account to inappropriately access the FLORIDA system subsequent to termination.</p>	<p>We recommend that FDCF management enhance controls to ensure that all assigned IT equipment is collected from employees prior to employment termination and FLORIDA system user access privileges are deactivated immediately upon a user's separation from FDCF employment.</p>	<p>The Florida Department of Children and Families (FDCF) will review current policies and practices associated with deactivating IT resources when FDCF system users separate from the FDCF. Based on this analysis, by April 30, 2023, the FDCF will develop a plan to enhance management controls for deactivating IT resources upon a user's separation from FDCF employment. The FDCF will then identify corrective measures to ensure that FLORIDA system user access privileges are deactivated per Rule 60GG-2.003(1)(a)8.</p>	<p>Partially Implemented</p> <p>DCF OITS has begun implementing an Identity (ID) governance solution to act upon system users' accounts appropriately.</p>
<p>Finding 2022-043:</p> <p>The FDCF did not correctly report expenditure data on one TANF Financial Report submitted to the Administration for Children and Families (ACF).</p>	<p>We recommend that FDCF management strengthen TANF Financial Report preparation controls, including establishing a crosswalk between Financial Report expenditure categories and FDCF accounting records, to ensure that all expenditure information is accurately reported to the ACF.</p>	<p>The process for applying the crosswalk to the expenditure data has been updated to incorporate all quarters in the expenditure detail query by the Other Cost Accumulator (OCA). This will allow the OCA to apply the crosswalk information to identify the federal report line number. Each quarter will be reconciled to the federal report</p>	<p>Partially Corrected</p> <p>The Department has updated the process by incorporating all quarters in the expenditure query and then applying the report line number to each expenditure line. Once completed, all prior quarters are reconciled to the worksheet/ACF-196 report to ensure the OCA is</p>

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		submitted to ensure the OCA in the current reporting quarter is being identified to the correct line number on the report and to ensure consistency from quarter to quarter.	being identified to the correct line number on the report.
<p>Finding 2022-044: The FDCF did not always timely review and process Income Eligibility and Verification System (IEVS) data exchange responses.</p>	<p>We recommend that the FDCF take action, including necessary control enhancements, to ensure that data exchange responses are reviewed and processed within established time frames.</p>	<p>In state fiscal year (SFY) 2020-21, the Florida Department of Children and Families (FDCF) established a project management team to correct the finding. In 2021, the FDCF, through the project management team, prioritized data exchanges that need to be worked and implemented an educational campaign to reinforce the importance of the timely processing of data exchanges. Additionally, the FDCF implemented Phase I of the integration data exchange projects for Unemployment Compensation Benefits (UCB) and Earned Income Eligibility Verification. The number of untimely TANF Income Eligibility and Verification System (IEVS) data exchanges decreased from 18,814 in SFY 2021 to 8,851 in SFY 2022, a 53% reduction.</p>	<p>Partially Corrected</p> <p>In state fiscal year (SFY) 2020-21, the Florida Department of Children and Families (FDCF) established a project management team to correct the finding. In 2021, the FDCF, through the project management team, prioritized data exchanges that need to be worked and implemented an educational campaign to reinforce the importance of the timely processing of data exchanges. Additionally, the FDCF implemented Phase I of the integration data exchange projects for Unemployment Compensation Benefits (UCB) and Earned Income Eligibility Verification and had other developments in progress.</p> <p>The additional developments for this finding have been put on hold. FDCF is undergoing a</p>

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		The FDCF continues its efforts to correct this audit finding as indicated in the corrective action plan.	modernization of its eligibility system and continues to use a phased approach for modernizing the modules that make up the current system. The worker portal module is scheduled to begin design and development in SFY 2023-24. The funding allocated for modernization will be used to revamp the global process of how data exchanges are received, reviewed and processed in order to create efficiencies for FDCF.
<p>Finding 2022-045: The State did not achieve its overall and two-parent work participation rates for Federal fiscal year 2021.</p>	We recommend that the FDCF continue to work with the OFA to resolve the exception request for the SFAG penalty.	In response to the October 6, 2022, Office of Family Assistance (OFA) notification, the Florida Department of Children and Families (FDCF) submitted a request on December 5, 2022, for a Reasonable Cause determination in accordance with 45 CFR 262.5 for the State's failure to meet the overall and two-parent work participation rates during Federal Fiscal Year (FFY) 2021. Work requirements in Florida, and other states, were suspended during a portion of the time period due to the public health emergency. The FDCF is awaiting a response from OFA for the Reasonable Cause request	<p>Fully Corrected</p> <p>On May 22, 2023, the U.S. Department of Health and Human Services, Administration for Children and Families, Office of Family Assistance (OFA) granted the Florida Department of Children and Families (FDCF) a reasonable cause exception from the Temporary Assistance for Needy Families work participation rate penalty. OFA will not impose a penalty for FDCF's failure to meet the work participation requirements in federal fiscal year 2021.</p>

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		submitted in December 2022, and will continue to work with the OFA to resolve the request for an exception to the State Family Assistance Grant (SFAG) penalty.	
<p>Finding 2022-047: FDCF expenditures charged to REAP and SSBG program grants were not incurred during the authorized period of performance.</p>	<p>We recommend that the FDCF ensure that costs are attributable to the authorized period of performance and are charged to the correct grant. We also recommend that the FDCF review expenditure data and records to determine the total costs that were charged to the grants in error.</p>	<p>The Florida Department of Children and Families (FDCF) will create reports to automate this activity to identify the period of performance and the grant year the expenditure is coded to. This will assist the FDCF with identifying expenditures that need to be moved to the correct grant year. In addition, staff training is currently taking place in order to complete the manual process of this activity until the automated report is finalized. The FDCF is currently using a manual process to review this information until an automated process is put into place, which is expected by September 2023.</p>	<p>Partially Corrected The department is in the process of planning and developing the automation of this activity. Due to the current process being manual, all federal reporting staff are being provided with appropriate training to perform this activity.</p>
<p>Finding 2022-048: The FDCF did not maintain documentation supporting the total number of recipients of selected SSBG services included in the Post-Expenditure Report</p>	<p>We recommend that the FDCF establish procedures for maintaining the data used as the basis to report information in the Post-Expenditure Report and ensure that amounts reported are complete and accurate.</p>	<p>All future requests for data from the various Florida Department of Children and Families programs and sister agencies will include the requirement to also provide supporting documentation as to how and where the number of clients served is derived, which will also be</p>	<p>Not Corrected The Department is establishing written procedures for receiving and maintaining the data received from various program areas that are used as the basis to report client data on the SSBG Post Expenditure Report.</p>

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submitted to the Office of Community Services and incorrectly reported the total number of recipients of Protective Services – Adults.		used to verify that the Post-Expenditure Report data are entered correctly.	