

DEPARTMENT OF CORRECTIONS

Administration of Re-Entry Programs



Sherrill F. Norman, CPA
Auditor General

Secretary of the Department of Corrections

The Department of Corrections is established by Section 20.315, Florida Statutes. The head of the Department is the Secretary who is appointed by the Governor and subject to confirmation by the Senate. Julie L. Jones served as Secretary during the period of our audit.

The team leader was E. Annette Green, CPA, and the audit was supervised by Jacqueline M. Joyner, CPA.

Please address inquiries regarding this report to David R. Vick, CPA, Audit Manager, by e-mail at davidvick@aud.state.fl.us or by telephone at (850) 412-2817.

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DEPARTMENT OF CORRECTIONS

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SUMMARY

This operational audit of the Department of Corrections (Department) focused on the administration of re-entry programs and included a follow-up on the findings noted in our report No. 2015-087. Our audit disclosed the following:

Finding 1: Department annual reports did not include certain statutorily required information and data related to Department re-entry programs.

BACKGROUND

State law¹ specifies that the purpose of the 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 and, as of March 2017, housed over 97,500 inmates.

Pursuant to State law,² the Department is responsible for administering programs that provide inmates treatment and education services to increase the likelihood of successful re-entry into society upon release. These re-entry programs include, but are not limited to, academic and workforce education, substance abuse, cognitive behavior therapy, and employment and money management transition skill programs. According to Department records, during the period July 2015 through January 2017, re-entry program expenditures totaled approximately \$102.8 million, and during the 2015-16 fiscal year, 12,234 inmates participated in a substance abuse treatment program and the Department awarded to inmates 1,312 General Education Diplomas, 218 high school diplomas, 1,829 vocational certificates, and 2,027 industry certificates.

FINDING AND RECOMMENDATION

Finding 1: Annual Report

Pursuant to State law,³ the Department is to submit to the Governor, President of the Senate, and Speaker of the House of Representatives an annual report detailing Department activities and recommendations for improving Department performance. State law requires the annual report include certain information and data related to Department re-entry programs including:

¹ Section 20.315(1), Florida Statutes.

² Sections 944.4731, 944.701 through 944.708, and 944.801, Florida Statutes.

³ Section 20.315(5), Florida Statutes.

- Impediments encountered in providing inmates a certified copy of their birth certificate and a State identification card prior to their release.⁴ The Department, working in conjunction with the Department of Health and Department of Highway Safety and Motor Vehicles, is to provide every inmate born in Florida a certified copy of their birth certificate and a State identification card prior to release.⁵
- Recommendations to improve obtaining release documents and identification cards for all inmates.⁶
- The number of inmates requesting and participating in substance abuse treatment programs as a result of positive random or reasonable suspicion substance abuse tests.⁷
- The number of repeat substance abuse offenders.⁸

Our review of the Department's 2014-15 and 2015-16 fiscal year annual reports disclosed that neither report included these required disclosures. In response to our audit inquiry, Department management indicated that the information and data had been inadvertently omitted from both the 2014-15 and 2015-16 fiscal year annual reports.

The inclusion of all required information and data in Department annual reports would better ensure accountability for administering Department re-entry programs.

Recommendation: We recommend that Department management enhance annual report compilation procedures to ensure that Department annual reports include all statutorily required re-entry program information and data.

PRIOR AUDIT FOLLOW-UP

The Department had taken corrective actions for the applicable findings included in our report No. 2015-087.

OBJECTIVES, SCOPE, AND METHODOLOGY

The Auditor General conducts operational audits of governmental entities to provide the Legislature, Florida's citizens, public entity management, and other stakeholders unbiased, timely, and relevant information for use in promoting government accountability and stewardship and improving government operations.

We conducted this operational audit from February 2017 through August 2017 in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

⁴ Section 944.605(7)(f), Florida Statutes.

⁵ Section 944.605(7)(a), Florida Statutes. A replacement driver's license is to be provided in lieu of a State identification card when an inmate has a valid State driver's license that was lost, stolen, or destroyed.

⁶ Section 944.605(7)(f), Florida Statutes.

⁷ Section 944.473(3), Florida Statutes.

⁸ Section 944.473(3), Florida Statutes.

This operational audit of the Department of Corrections (Department) focused on the administration of re-entry programs. The overall objectives of the audit were:

- To evaluate management's performance in establishing and maintaining internal controls, including controls designed to prevent and detect fraud, waste, and abuse, and in administering assigned responsibilities in accordance with applicable laws, administrative rules, contracts, grant agreements, and other guidelines.
- To examine internal controls designed and placed in operation to promote and encourage the achievement of management's control objectives in the categories of compliance, economic and efficient operations, the reliability of records and reports, and the safeguarding of assets, and identify weaknesses in those internal controls.
- To identify statutory and fiscal changes that may be recommended to the Legislature pursuant to Section 11.45(7)(h), Florida Statutes.

Our audit also included steps to determine whether management had corrected, or was in the process of correcting, all applicable deficiencies noted in our report No. 2015-087.

This audit was designed to identify, for those programs, activities, or functions included within the scope of the audit, deficiencies in management's internal controls, instances of noncompliance with applicable governing laws, rules, or contracts, and instances of inefficient or ineffective operational policies, procedures, or practices. The focus of this audit was to identify problems so that they may be corrected in such a way as to improve government accountability and efficiency and the stewardship of management. Professional judgment has been used in determining significance and audit risk and in selecting the particular transactions, legal compliance matters, records, and controls considered.

As described in more detail below, for those programs, activities, and functions included within the scope of our audit, our audit work included, but was not limited to, communicating to management and those charged with governance the scope, objectives, timing, overall methodology, and reporting of our audit; obtaining an understanding of the program, activity, or function; exercising professional judgment in considering significance and audit risk in the design and execution of the research, interviews, tests, analyses, and other procedures included in the audit methodology; obtaining reasonable assurance of the overall sufficiency and appropriateness of the evidence gathered in support of our audit's findings and conclusions; and reporting on the results of the audit as required by governing laws and auditing standards.

Our audit included the selection and examination of transactions and records. Unless otherwise indicated in this report, these transactions and records were not selected with the intent of statistically projecting the results, although we have presented for perspective, where practicable, information concerning relevant population value or size and quantifications relative to the items selected for examination.

An audit by its nature, does not include a review of all records and actions of agency management, staff, and vendors, and as a consequence, cannot be relied upon to identify all instances of noncompliance, fraud, abuse, or inefficiency.

In conducting our audit we:

- Reviewed applicable laws, rules, Department policies and procedures, and other guidelines, and interviewed Department personnel to obtain an understanding of the administration of re-entry programs.

- Examined Department policies and procedures for the administration of re-entry programs to determine whether the policies and procedures were adequately designed to execute statutorily required processes and procedures.
- From the population of 146 re-entry program contracts and 9 purchase orders, totaling \$305,388,392, executed, renewed, or amended during the period July 2015 through January 2017, examined Department records for 23 selected contracts and 2 selected purchase orders, totaling \$72,167,549, to determine whether the Department complied with applicable laws, rules, regulations, Department policies and procedures, and other guidelines for procuring, awarding, and amending contracts and purchase orders.
- From the population of 7,196 re-entry program expenditures, totaling \$102,765,631, made during the period July 2015 through January 2017, examined Department records for 50 selected expenditures, totaling \$3,089,412, to determine whether the expenditures were appropriately authorized; supported and reviewed; paid only after the receipt of goods, services, or contract deliverables; and accurately recorded in Department accounting records.
- Examined Department records for 25 of the 40,811 inmates admitted to the care of the Department during the period July 2015 through January 2017 to determine whether the inmates were administered applicable Tests of Adult Basic Education and referred to the appropriate level of education courses and whether the 25 selected inmates were administered a Drug Simple Screening Instrument and referred to substance abuse programming based on the results.
- Examined Department records for 25 of the 10,663 inmates who participated in vocational or career training programs during the period July 2015 through January 2017 to determine whether the inmates' participation in the training was based upon a needs assessment and the inmates completed course requirements prior to receiving certificates of achievement.
- Examined Department records for 25 of the 30,017 inmates who participated in academic programs during the period July 2015 through January 2017 to determine whether, as applicable, the inmates received a needs assessment within 42 months of release in accordance with Department policies and procedures, the needs assessment recommended academic programming, and the inmates received at least 150 hours of sequential instruction in a correctional adult basic educational program in accordance with State law.
- Examined Department records for 25 of the 3,696 inmates who took the General Education Diploma (GED) exam during the period July 2015 through January 2017 to determine whether, as applicable, inmates who received a GED had the appropriate prerequisite test scores, inmates who received a GED or a vocational achievement certificate were recommended for additional gain time, and inmates under age 22 who qualified for special education services were granted an administrative hearing, if requested.
- From the population of 166 contracts, totaling \$374,999,485, included in Department contract monitoring schedules for the period July 2015 through January 2017, examined Department records for 25 contracts, totaling \$142,891,322, to determine whether Department records evidenced that contract terms were appropriately monitored, monitoring tools were completed, monitoring reports were timely provided to contractors and reflected issues identified during monitoring, corrective action plans were established, and corrective action plan issues were timely followed up on.
- From the population of 451 academic, special education, and vocational instructors teaching inmates during the period July 2015 through January 2017, examined Department records for 40 selected instructors to determine whether academic and special education instructors were certified in accordance with applicable Department of Education standards and vocational instructors possessed a non-degree Vocational Subject Certificate issued by the Department and satisfied the required level of experience or education in the vocation.

- Examined Department records for 40 of the 49,207 inmates released from Department custody during the period July 2015 through January 2017 to determine whether the inmates were given a needs assessment for the Transition Assistance Program, completed a 100-hour comprehensive transition program covering job readiness and life management skills, were provided a standardized release orientation program 6 months before their scheduled release, and were provided the standard notification required by Section 944.705(6)(a), Florida Statutes.
- Examined Department records for 9 of the 967 inmates who were released from Department custody during the period July 2015 through January 2017 and known to need HIV medications to determine whether the inmates were given a 30-day supply of HIV medications upon their release from custody as required by Section 944.704(5), Florida Statutes.
- Examined Department records for 40 of the 23,153 inmates who began substance abuse treatment during the period July 2015 through January 2017 to determine whether the inmates received the appropriate screening upon reception and the appropriate substance abuse programming to enable the inmate to re-enter society.
- Examined Department records for 10 of the 387 inmates who were under Addiction Recovery Supervision during the period July 2015 through January 2017 to determine whether inmates released from State correctional facilities met the requirements for Addiction Recovery Supervision.
- Examined the Department's 2014-15 and 2015-16 fiscal year annual reports to determine whether the reports included statutorily required information and data regarding education programs, monitoring of education programs, inmate literacy levels, inmate education histories, employability, and the Substance Abuse Treatment Program, and whether the reported information and data was supported by Department records.
- Evaluated Department actions to correct the applicable findings noted in our report No. 2015-087. Specifically, we:
 - Performed inquiries of Department personnel and examined Department records to determine whether the Department ensured that background screenings of canteen operator contractors were timely conducted.
 - Performed inquiries of Department personnel and examined Department Inmate Trust Fund records for 40 of the 7,306 inmates with trust fund accounts active as of January 31, 2017, to determine whether applicable liens for unpaid canteen sale processing fees during the period July 2015 through January 2017 were placed on inmate accounts and the liens were subsequently paid.
 - Performed inquiries of Department personnel, reviewed Department policies and procedures, and reviewed Department records to determine whether the Department had implemented sufficient controls over the e-mailing of confidential and sensitive information.
 - Performed inquiries of Department personnel and examined Department records for 20 of the 264 Department employees who used the Operational Review Report Writer during the period July 2015 through January 2017 to determine whether access privileges were appropriately granted.
 - Performed inquiries of Department personnel and reviewed Department policies and procedures to determine whether the Department had updated policies and procedures to require employees to periodically back up data stored on workstations, laptop computers, and other mobile computing devices.
- Observed, documented, and evaluated the effectiveness of selected Department processes and procedures for:
 - Revenue, cash receipt, and purchasing activities.

- The administration of the requirements of the Florida Single Audit Act. During the period July 2015 through December 2016, the Department expended \$122,036,681 for seven State Financial Assistance programs.
- The acquisition and management of real property leases in accordance with State law, Department of Management Services rules, and other applicable guidelines. As of February 2017, the Department was responsible for 103 active real property leases.
- Communicated on an interim basis with applicable officials to ensure the timely resolution of issues involving controls and noncompliance.
- Performed various other auditing procedures, including analytical procedures, as necessary, to accomplish the objectives of the audit.
- Prepared and submitted for management response the finding and recommendation that are included in this report and which describe the matters requiring corrective actions. Management's response is included in this report under the heading **MANAGEMENT'S RESPONSE**.

AUTHORITY

Section 11.45, Florida Statutes, requires that the Auditor General conduct an operational audit of each State agency on a periodic basis. Pursuant to the provisions of Section 11.45, Florida Statutes, I have directed that this report be prepared to present the results of our operational audit.

A handwritten signature in blue ink that reads "Sherrill F. Norman". The signature is fluid and cursive, with the first name being the most prominent.

Sherrill F. Norman, CPA
Auditor General

MANAGEMENT'S RESPONSE



FLORIDA
DEPARTMENT of
CORRECTIONS

Governor

RICK SCOTT

Secretary

JULIE L. JONES

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January 4, 2018

Ms. Sherrill F. Norman
Office of the Auditor General
G74 Claude Pepper Building
111 West Madison Street
Tallahassee, Florida 32399-1450

Dear Ms. Norman:

In accordance with Section 11.45(4)(d), Florida Statutes, I am enclosing the Department's response to the preliminary and tentative finding and recommendation contained in the audit of the Department of Corrections, Administration of Re-Entry Programs. This response reflects the specific action taken or contemplated to address the finding cited in your report.

Thank you for the opportunity to review and provide comments. If you have any questions or need additional information, please contact Paul Strickland, Chief Internal Auditor, at (850) 717-3408.

Sincerely,

A handwritten signature in blue ink that reads 'Julie Jones'. The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Julie L. Jones
Secretary

Enclosure

★ INSPIRING SUCCESS BY TRANSFORMING ONE LIFE AT A TIME ★

**RESPONSE TO PRELIMINARY AND TENTATIVE AUDIT FINDINGS
AUDIT OF THE DEPARTMENT OF CORRECTIONS,
ADMINISTRATION OF RE-ENTRY PROGRAMS**

Finding 1: Department annual reports did not include certain statutorily required information and data related to Department re-entry programs.

Recommendation: We recommend that Department management enhance annual report compilation procedures to ensure that Department annual reports include all statutorily required re-entry program information and data.

Agency Response: The Department has conducted a review of the Florida Statutes to gain an overall perspective of the reports and information for the agency Annual Report and will continue to coordinate with the Legislative Affairs Office in tracking new or modified report requirements as new legislation is adopted. Additionally, the Department is currently in the process of finalizing its FY 16/17 Annual Report and has ensured that the information listed in the findings is included in the report and will continue to ensure that subsequent reports are consistent with the Florida Statutes.