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DEPARTMENT OF JUVENILE JUSTICE

Residential Services
and Selected Administrative Activities

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Auditor General

Secretary of the Department of Juvenile Justice

The Department of Juvenile Justice is established by Section 20.316, Florida Statutes. The head of the Department is the Secretary of Juvenile Justice, who is appointed by, and serves at the pleasure of, the Governor. Christina K. Daly served as Department Secretary during the period of our audit.

The team leader was Jim Beaumont, CPA, and the audit was supervised by Jacqueline Joyner, CPA.

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DEPARTMENT OF JUVENILE JUSTICE

Residential Services and Selected Administrative Activities

SUMMARY

This operational audit of the Department of Juvenile Justice (Department) focused on the administration of residential services and selected administrative activities. Our audit disclosed the following:

Residential Services

Finding 1: Department annual compliance monitoring of residential commitment programs needs improvement.

Finding 2: Department annual administrative compliance reviews of residential commitment program providers need improvement.

Finding 3: Department records did not always evidence that required weekly security audits and safety inspections of residential commitment program facilities were conducted. In addition, residential commitment programs did not always develop and implement corrective actions to address, or timely address, security and safety deficiencies noted during the weekly audits and inspections conducted.

Finding 4: Department records did not always demonstrate that residential commitment program provider staff successfully completed the pre-service training specified by Department rules.

Finding 5: Department records did not always demonstrate that Department and residential commitment program provider staff completed the annual in-service training required by Department rules and policies and procedures.

Finding 6: Certain security controls related to SkillPro learning management system user authentication and access need improvement to promote the integrity and availability of SkillPro data and related information technology resources.

Finding 7: Reportable incidents related to residential commitment programs were not always timely reported to the Department's Central Communications Center, reviews of reported incidents were not always timely completed, and reported incidents were not always recorded in residential commitment program logbooks.

Selected Administrative Activities

Finding 8: The Department did not always timely deactivate user access privileges to the Florida Accounting Information Resource Subsystem upon an employee's separation from Department employment.

BACKGROUND

The mission of the Department of Juvenile Justice (Department) is to increase public safety by reducing juvenile delinquency through effective prevention, intervention, and treatment services. Pursuant to State

law,[1] the Department is responsible for planning, coordinating, and managing the delivery of all programs and services within the juvenile justice continuum. To deliver these programs and services, State law[2] establishes the following programs within the Department: Prevention and Victim Services, Intake and Detention, Residential and Correctional Facilities, Probation and Community Corrections, and Administration. For the 2016-17 fiscal year, the Legislature appropriated approximately $547 million to the Department and authorized 3,269.5 positions.

FINDINGS AND RECOMMENDATIONS

RESIDENTIAL SERVICES

State law[3] requires the Department to develop or contract for diversified and innovative programs to provide rehabilitative treatment, including community-based residential programs for youth under Department supervision. The Department contracted with private providers to operate all residential commitment programs in the State. Department records indicated that, as of March 2017, the Department was responsible for overseeing 54 privately operated residential commitment program facilities in the State through three regional offices (North, Central, and South).

State law[4] specifies that the Department is to recommend to the court of jurisdiction the most appropriate placement and treatment plan for youths committed to the custody of the Department, and specifically identify the most appropriate restrictiveness level if commitment is recommended. In making its recommendation, the Department's primary considerations are public safety, meeting the treatment needs of the youth, and ensuring that no other options at a less restrictive level are viable to reduce or eliminate the youth's threat to public safety. The court is to consider the Department's recommendation in making the commitment decision and State law[5] divides the available commitment restrictiveness levels into three programs: nonsecure, high-risk, and maximum-risk residential programs. These programs provide varying levels of commitment, specifically:

- Nonsecure residential programs may allow youth to have supervised access to the community. Youth assessed and classified for placement at this commitment level represent a low or moderate risk to public safety and require close supervision. Facilities at this commitment level are either environmentally secure, staff secure, or are hardware-secure with walls, fencing, or locking doors.
- High-risk residential programs, with limited exceptions, do not allow youth to have access to the community. Placement in such programs is prompted by a concern for public safety that outweighs placement in programs at lower commitment levels. High-risk residential facilities are hardware-secure with perimeter fencing and locking doors. Facilities at this commitment level provide 24-hour awake supervision, custody, care, and treatment of residents.
- Maximum-risk residential programs include juvenile correctional facilities and juvenile prisons. Youth assessed and classified at this commitment level require close supervision in a maximum

[1] Section 20.316(1)(b), Florida Statutes.

[2] Section 20.316(2), Florida Statutes.

[3] Section 985.601(3)(a), Florida Statutes.

[4] Section 985.433(7)(a) and (b), Florida Statutes.

[5] Section 985.03(44)(b), (c), and (d), Florida Statutes.

security residential setting. Placement in a program at this level is prompted by a demonstrated need to protect the public. Facilities at this commitment level are maximum custody, hardware-secure with perimeter security fencing and locking doors, and provide 24-hour awake supervision, custody, care, and treatment of residents.

During the 2015-16 fiscal year, Department residential commitment programs served 4,349 youth.

Finding 1: Annual Compliance Monitoring of Residential Commitment Programs

The Department, Office of Program Accountability, Bureau of Monitoring and Quality Improvement, was responsible for conducting annual monitoring of residential commitment programs to determine whether the programs operated in compliance with applicable laws, rules, and Department policies and procedures. The Department's *Monitoring and Quality Improvement Standards for Residential Programs* included five standards: Management Accountability, Assessment and Performance Plan, Mental Health and Substance Abuse Services, Health Services, and Safety and Security. For each standard, the Department identified various compliance indicators based on applicable laws, rules, and Department policies and procedures, including critical indicators that represented areas requiring immediate attention if a program operated below Department standards. During the annual monitoring review, a program was to be given a compliance rating of Satisfactory, Limited, or Failed for each indicator and the results of the review were to be recorded on monitoring program documents. A residential commitment program was to achieve at least a Satisfactory compliance rating for each critical indicator.

As part of our audit, we examined Department monitoring records for the 2015-16 fiscal year for ten residential commitment programs, with contract amounts totaling approximately $251.3 million, to determine whether the Department conducted adequate compliance monitoring in accordance with established policies and procedures. Our examination disclosed that, for the ten annual compliance monitoring reviews, Department staff did not appropriately complete all applicable portions of the monitoring program documents. In response to our audit inquiry, Department management indicated that staff oversights may have contributed to the deficiencies and noted that the Department was in the process of correcting similar deficiencies noted in our report No. 2016-195 (Finding 4).

Additionally, for one annual compliance monitoring review, our audit procedures disclosed that a critical deficiency[6] related to youth access to the Florida Abuse Hotline noted in the Department's monitoring report was not addressed in the Department's monitoring summary or otherwise communicated to the program provider. In response to our audit inquiry, Department management indicated that Regional monitors had preliminarily rated the critical indicator as Satisfactory. After further management review, the Department determined that the rating should have been Limited. However, the Department's monitoring summary in the Program Monitoring and Management (PMM) system, used to notify residential commitment programs of monitoring results and needed corrective action, was not updated to reflect the rating change and the critical deficiency was not otherwise communicated to the program provider.

[6] Department policies and procedures defined a critical deficiency as a deficiency immediately affecting the safety, security, or health of a youth under the Department's care that required immediate corrective action. Critical deficiencies included, but were not limited to, a rating of Failed or Limited on a critical indicator.

Documented completion of all applicable monitoring activities provides Department management greater assurance that annual compliance monitoring was performed in accordance with Department policies and procedures. In addition, conveying critical deficiencies to residential commitment program providers better ensures that performance problems are identified as early as possible so that corrective action may be timely initiated.

Recommendation: We recommend that Department management ensure the documented completion of all applicable annual compliance monitoring activities and that critical deficiencies noted during monitoring are timely communicated to residential commitment program providers.

Finding 2: Annual Administrative Compliance Reviews

The Department, Office of Program Accountability, Bureau of Contract Management (Bureau), was responsible for conducting annual administrative compliance reviews of each residential commitment program provider's compliance with the contract terms and conditions incidental to the direct care or supervision of youth committed to the care of the Department. Such reviews were to include reviews of controls for State-owned or leased property and equipment, financial reporting packages, financial management practices, provider policies and procedures, and personnel training, licensing, and screening activities. Department policies and procedures[7] specified that the Bureau was to perform an annual assessment and prioritization of residential commitment program providers to establish the nature of the compliance reviews to be conducted. Based on the prioritization, contract managers were to complete administrative compliance reviews of all providers, consisting of either the completion of an administrative compliance review checklist, a desk audit, or an on-site visit.

For all administrative compliance reviews, contract managers were to complete in the PMM system a monitoring summary that included any identified deficiencies. All monitoring summaries with identified deficiencies resulted in an Outcome Based Corrective Action Plan (OBCAP) being initiated in the PMM system. Department policies and procedures[8] required all employees to disclose potential or actual relationships with individuals, partnerships, corporations, and other entities doing business with, or subject to, regulation by the Department. Additionally, Department management indicated that contract managers were required to complete a *Conflict of Interest Questionnaire* upon the assignment of a contract.

During the period July 2015 through January 2017, the Department conducted administrative compliance reviews of 47 residential commitment program contracts totaling approximately $849 million. We examined Department records related to the administrative compliance reviews conducted for 10 selected contracts, totaling approximately $251 million, to determine whether the Department conducted the reviews in accordance with established policies and procedures. Our examination disclosed that:

- Deficiencies noted in the monitoring tools completed during the reviews of 8 contracts, totaling approximately $228 million, were not included in the monitoring summaries or in an OBCAP, and Department records did not evidence that the deficiencies had been corrected. In addition, certain sections of the monitoring tools used to conduct the reviews had not been completed. In response

[7] Department Procedure FDJJ-2000, *Contract Management and Program Monitoring and Quality Improvement Procedures*.

[8] Department Procedure FDJJ-1900, *Employee Code of Ethics and Personal Responsibility Procedures*.

to our audit inquiry, Department management indicated that the incomplete monitoring tools and inconsistencies between the tools, monitoring summaries, and OBCAPs were due to staff oversight.

- The Department was unable to provide documentation demonstrating that the contract manager responsible for reviewing a $16.5 million contract was independent of, and had no conflict of interest in, the contracted program provider.

Additionally, our examination of the Department's 2015-16 fiscal year monitoring prioritization tool disclosed that, for 2 contracts, totaling approximately $36.7 million, the Department had assessed the contracts as high-risk and requiring an on-site visit. However, the Department conducted desk audits in lieu of the on-site visits and Department records did not evidence the basis for the change in review type.

Effective administrative compliance reviews evaluate whether residential commitment program providers comply with contract terms and conditions incidental to the direct care or supervision of youth and identify problems as early as possible so that corrective action may be timely initiated. Absent sufficient documentation of the type of review required, the completion of all monitoring tool sections, and the communication of noted deficiencies to providers, Department management cannot adequately demonstrate that contractual services were provided in accordance with contract terms and conditions. Additionally, documentation demonstrating that contract managers are independent of, and have no conflict of interest in, the contracted providers they are assigned to review, would provide greater assurance that Department residential commitment program providers are being reviewed in an independent and impartial manner.

Recommendation: We recommend that Department management ensure that monitoring activities are sufficient and documented, Department records evidence that noted deficiencies are communicated to and corrected by providers, and *Conflict of Interest Questionnaires* are completed by contract managers for all assigned contracts. We also recommend that Department management ensure that administrative compliance reviews are performed based on the contract risk assessment or otherwise document the basis for the type of review conducted.

Finding 3: Weekly Security Audits and Safety Inspections

State law[9] requires the Department to annually evaluate each program operated by the Department or a provider under contract with the Department and establish minimum standards for each program component. The Department's *Monitoring and Quality Improvement Standards for Residential Programs* include a review of safety and security requirements established in Department rules and provider contracts. Department rules[10] require residential commitment program providers conduct weekly security audits and safety inspections and develop and implement corrective actions based on the deficiencies found during any internal or external review, audit, or inspection. Department rules further require residential commitment program providers to immediately initiate corrective actions to eliminate any imminent threat to life and safety or any impending security breach, and initiate all other required corrective actions within 30 days. Although Department rules requiring residential commitment program providers conduct weekly security audits and safety inspections are not specifically addressed in the Department's *Monitoring and Quality Improvement Standards for Residential Programs*, Department

[9] Section 985.632(5), Florida Statutes.

[10] Department Rule 63E-7.013(5), Florida Administrative Code.

management indicated that the audits and inspections are addressed in other areas of the annual compliance review and as part of supplemental monitoring reviews.

As part of our audit, we evaluated Department residential commitment program security audit and safety inspection rules and requested Department documentation related to 40 weekly security audits and safety inspections required to be conducted at ten residential commitment program facilities during the period July 2015 through January 2017. Our audit procedures disclosed that:

- The Department was unable to provide documentation demonstrating that 3 weekly security audits and safety inspections related to one residential commitment program facility had been conducted. In response to our audit inquiry, Department management indicated that the Department was unable to provide records of the audits and inspections because the Department had transitioned the residential commitment program to a new provider.
- Residential commitment programs did not always develop and implement corrective actions to address, or timely address, security and safety deficiencies noted during weekly audits and inspections, or verify that deficiencies were corrected. Department rules[11] specify that nonsecure program facilities are required to be environmentally secure, staff secure, or hardware-secure with walls, fencing, or locking doors. The rules also specify that security features such as door locks on entry, exit, and passage doors, secure windows of break-resistant or screened glass, and exterior security lighting are authorized but not required. High-risk program facilities are required to provide such security features.[12] Our audit tests found that, for 12 weekly security audits and safety inspections related to four residential commitment program facilities, repeat deficiencies were not corrected, or not corrected timely. Specifically:
    - For one nonsecure program facility, deficiencies were noted for the same doors and door locks during security audits and safety inspections conducted in December 2015, April 2016, July 2016, and November 2016. In response to our audit inquiry, Department management indicated that the doors and door locks were repaired in April 2017.
    - For another nonsecure program facility, deficiencies related to alarms, doors and door locks, and windows were noted during a weekly security audit and safety inspection conducted in April 2016. Although the same deficiencies were not identified during the July 2016 or November 2016 weekly audits and inspections we examined, the Department was unable to provide documentation demonstrating that the alarms, doors and door locks, and windows had been repaired.
    - For one high-risk program facility, exterior facility lighting deficiencies were noted during security audits and safety inspections conducted in December 2015, April 2016, July 2016, and November 2016. In response to our audit inquiry, Department management indicated that a work order for repairs was initiated in March 2017 and the lighting was repaired in May 2017.
    - For another high-risk program facility, deficiencies related to doors and door locks were noted during security audits and safety inspections conducted in April 2016, July 2016, and November 2016. However, in response to our audit inquiry, Department management indicated that, as of May 2017, there was no record that the deficiencies had been corrected.

In response to our audit inquiry, Department management indicated that operating procedures addressing safety audits and security inspections were provider and facility-based and not standardized by the Department. Our examination of facility operating procedures disclosed that, while the procedures

[11] Department Rule 63E-7.013(1)(b), Florida Administrative Code.

[12] Department Rule 63E-7.013(1)(c), Florida Administrative Code.

provided guidance on reporting security and safety deficiencies, the procedures did not require provider staff to develop and implement corrective actions to address security or safety deficiencies or verify that the deficiencies were corrected.

Absent documentation demonstrating that required weekly security audits and safety inspections are conducted and residential commitment program providers develop and implement corrective actions to address noted deficiencies, Department management has less assurance that provider facilities are being operated in accordance with minimum safety and security standards.

Recommendation: We recommend that Department management strengthen monitoring procedures to ensure that required security audits and safety inspections are conducted and appropriately documented and work with providers to enhance facility operating procedures to timely address follow-up on deficiencies noted during security audits and safety inspections.

Finding 4: Residential Commitment Program Provider Staff Pre-Service Training

State law[13] requires the Department to ensure that personnel responsible for the care, supervision, and individualized treatment of children are appropriately educated regarding juvenile justice laws and trained in accordance with the standards established by Department rules. Accordingly, Department rules[14] require residential commitment program provider staff to complete a minimum of 120 hours of pre-service training within 180 days of employment. The training is to include topics such as Protective Action Response (PAR), CPR and first aid, safety, security, and supervision, and mental health and substance abuse services.

As part of the pre-service training process, residential commitment program provider staff were required to complete both computer-based and instructor-led training. The completion of all training requirements was to be documented in the Department's Web-based learning management system, SkillPro. According to Department records, residential commitment program providers hired 181 staff during the period July 2015 through January 2017. As part of our audit, we examined Department records for 24 residential commitment program provider staff to determine whether the staff had completed pre-service training within the time frame required by Department rules. Our examination disclosed that Department records did not always evidence that residential commitment program provider staff had successfully completed all pre-service training requirements in accordance with Department rules. Specifically, we found that:

- For 7 residential commitment program provider staff, SkillPro did not document, and Department and program provider records did not otherwise evidence, that the staff had completed all pre-service training requirements, including PAR training for 6 provider staff.
- Department rules[15] require that all PAR training be conducted by a certified PAR instructor. Our examination disclosed that SkillPro did not document, and Department and program provider records did not otherwise evidence, that 5 residential commitment program provider staff received PAR training from a certified instructor.

[13] Section 985.601(8), Florida Statutes.

[14] Department Rule 63H-2.003(1), Florida Administrative Code.

[15] Department Rule 63H-1.009(4), Florida Administrative Code.

In response to our audit inquiry, Department management indicated that, while compliance with training requirements is included as part of annual compliance monitoring of residential commitment programs, only a sample of employee records are reviewed and residential commitment program providers had not established processes to ensure the completion of required training was adequately documented. Additionally, Department management indicated that provider training coordinator oversights and technical issues related to data entry into SkillPro may have contributed to the deficiencies.

Absent sufficient documentation demonstrating that residential commitment program provider staff complete the pre-service training specified by Department rules, the Department has limited assurance that the staff responsible for delivering residential commitment programs are educated regarding juvenile justice laws and appropriately trained.

Recommendation: We recommend that Department management ensure that SkillPro evidences that all residential commitment program provider staff complete, within 180 days of being hired, the pre-training specified by Department rules.

Finding 5: Residential Commitment Program Staff Annual In-Service Training

Department rules[16] require residential commitment program provider staff having direct contact with youth for the purpose of providing care, supervision, custody, or control, complete 24 hours of annual in-service training beginning the calendar year after the staff completed pre-service training. The annual in-service training is to address the following topics: PAR update, CPR, first aid,[17] professionalism and ethics, and suicide prevention. Department policies and procedures[18] specified the minimum hours required for each annual in-service training topic and required Department and residential commitment program provider staff having direct contact with youth complete training each calendar year in the following topics: trauma informed care, safety, sexual harassment, and the Prison Rape Elimination Act (PREA). Additionally, Department policies and procedures required any person employed by the Department to complete each calendar year 8 hours of in-service training that addressed: information security, safety, sexual harassment, the PREA, and trauma informed care. As previously noted, all training was to be documented in SkillPro.

During the period July 2015 through January 2017, the Department employed 92 residential commitment program staff and residential commitment program providers employed 3,855 residential commitment program staff. As part of our audit, we examined Department records for 16 residential commitment program staff from six residential commitment programs and for 5 employees from the Department's Office of Residential Services to determine whether the staff satisfied the mandatory annual in-service training requirements during the 2016 calendar year. Our examination disclosed that the Department was not always able to provide sufficient documentation, such as training attendance rosters, completed certifications, or training records from SkillPro, to demonstrate that the staff had completed all required mandatory annual in-service training. Specifically, we noted that, for 2 Office of Residential Services employees and 5 residential commitment program staff, SkillPro did not evidence the completion of all

[16] Department Rule 63H-2.003(2), (6), and (7), Florida Administrative Code.

[17] Residential commitment program staff who have obtained a multi-year certification in first aid are required to complete training as required by the certification.

[18] Department Procedure FDJJ-1520, *Employee Training Procedures*.

required training and the residential commitment program was unable to provide training records, such as training attendance rosters, completed tests, certifications, or evaluation forms, demonstrating that the staff had completed all mandatory annual in-service training.

In response to our audit inquiry, Department management indicated that required annual training was not always completed by Department employees due to oversight and that residential commitment program providers had not established processes to ensure the completion of required training was adequately documented. Additionally, Department management indicated that provider training coordinator oversights and technical issues related to data entry into SkillPro may have contributed to the deficiencies.

Documentation demonstrating that Department and residential commitment program provider staff completed the annual in-service training specified by Department rules and policies and procedures would provide necessary assurance that the staff responsible for administering and delivering residential commitment programs timely received appropriate training.

Recommendation: We recommend that Department management ensure that SkillPro evidences that all Department and residential commitment program provider staff complete the annual in-service training required by Department rules and policies and procedures.

Finding 6: Security Controls – User Authentication and Access

Security controls are intended to protect the integrity and availability of data and related information technology (IT) resources. Our audit procedures disclosed that certain SkillPro security controls related to user authentication and access need improvement. We are not disclosing specific details of the issues in this report to avoid the possibility of compromising SkillPro data and related IT resources. However, we have notified appropriate Department management of the specific issues. Without appropriate security controls related to user authentication and access, the risk is increased that the integrity and availability of SkillPro data and related IT resources may be compromised.

Recommendation: We recommend that Department management strengthen certain SkillPro security controls related to user authentication and access to promote the integrity and availability of SkillPro data and related IT resources.

Finding 7: Incident Reporting and Reviews

The Central Communications Center (CCC) is a Department call center that operates 365 days a year and is responsible for receiving reports regarding incidents or events[19] involving Department or contracted staff and youth in Department custody or under Department supervision. The Incident Operations Center (IOC) was created in 2013 to catalog and track all complaints and related correspondence received by the Department. The IOC is responsible for monitoring corrective actions

[19] Department Rule 63F-11.002(14), Florida Administrative Code, defines reportable incidents as any incidents or events involving State-run facilities, staff, contracted facilities, contracted programs, contracted staff, youth on community supervision, volunteers or visitors, that disrupts or has the potential to disrupt the normal operation of the facility or program; any illness or medical condition or injury which causes or has the potential to cause grave harm or death to an individual youth or group of youths; or any other occurrence which causes or has the potential to cause grave harm or death to an individual youth or group of youths or involves allegations of fraud, abuses, and deficiencies relating to programs and operations administered or financed by the Department.

taken by Department providers and at State-owned and operated facilities, and following up on the resolution of incidents reported through the CCC or the Department's Office of the Inspector General (OIG).

Department rules[20] require that all incidents be reported to the CCC within 2 hours of the affected facility, office, or program learning of the incident. All reported incidents are to be reviewed by OIG staff to determine how the incident should be handled. Depending on the severity of the incident, OIG staff could refer an incident to the program area for a program or management review, which required a site-visit be conducted; perform an OIG management review, if severe in nature; or close the incident record in the CCC database as "Information Only," "Information/Arrest," or "Substantiated by Provider." Reviews were to be completed in the CCC system within 60 calendar days of assignment. After the review was completed, program area management had 30 business days to review and approve or reject the review results. Additionally, Department rules[21] require residential commitment programs maintain a central logbook to document incidents, events, and activities occurring at residential commitment program facilities. At a minimum, each logbook is to include the date and time of each event, the names of the staff and youth involved, a brief description of the event, the name and signature of the person making the entry, and the date and time of the entry.

During the period July 2015 through January 2017, 2,436 reportable incidents related to residential commitment programs were recorded in the CCC system. As part of our audit, we examined Department records for 45 incidents and noted that incidents were not always timely reported to the CCC, reviews of applicable incidents were not always timely completed, and incidents were not always recorded in residential commitment program logbooks. Specifically, we found that:

- 8 incidents were not reported to the CCC within 2 hours of the affected facility, office, or program learning of the incident. Specifically, the incidents were reported 30 minutes to 62 hours late (an average of over 11 hours late).
- Reviews for 4 incidents were not timely completed in the CCC system. Specifically, the reviews were completed 3 to 20 days late (an average of 9.5 days late).
- Program area management reviews of the results of 11 incident reviews were not timely completed. Specifically, the program area management reviews were completed 7 to 188 business days late (an average of 74 business days late).
- For 13 incidents at nine residential commitment programs, we were unable to determine whether the incidents had been recorded in the applicable residential commitment program's logbook. In response to our audit inquiry, Department management indicated that the residential commitment programs had transitioned to new providers and the Department was unable to locate the requested logs. The Department's standard contract required providers to return to the Department all youth records upon expiration of the contract and ensure that records were available for inspection, review, or audit by State and Federal personnel and other personnel duly authorized by the Department.

According to Department management, staff caseloads may have contributed to the delays in completing reviews. Department management also indicated that the CCC system used to track the incidents subject to audit did not previously include controls to alert IOC staff when review deadlines were

[20] Department Rule 63F-11.003(1), Florida Administrative Code. Department rules specify that reportable incidents do not include off-site medical transports.

[21] Department Rule 63E-7.016(14), Florida Administrative Code.

approaching and that, in April 2017, the CCC system had been upgraded to include controls to track incident report completion due dates.

The logging and timely review and completion of incident reviews provides greater assurance that the Department is appropriately addressing all complaints concerning the delivery of services, safety, and security by Department providers and at State-owned and operated facilities.

Recommendation: We recommend that Department management continue efforts to ensure that incidents are timely reported and incident reviews are timely completed and subjected to management review. We also recommend that Department management strengthen procedures for ensuring that residential commitment program providers maintain adequate incident records, including logbooks, and such records are returned to the Department in accordance with provider contract terms and conditions.

SELECTED ADMINISTRATIVE ACTIVITIES

As part of our audit, we also evaluated selected Department administrative activities and controls, including those related to Florida Accounting Information Resource Subsystem (FLAIR) access privileges.

Finding 8: FLAIR Access Controls

The Department utilizes FLAIR to authorize payment of Department obligations and to record and report financial transactions. Controls over employee access to FLAIR are necessary to help prevent and detect any improper or unauthorized use of FLAIR access. Accordingly, FLAIR access privileges should be: (1) limited to properly authorized employees, (2) appropriate for the employee's assigned duties and responsibilities, (3) promptly deactivated when employees separate from Department employment or when the access privileges are no longer required, and (4) periodically reviewed for continued appropriateness.

Department policies and procedures[22] specified that supervisors were to utilize the Separation Notification System (SNS) to notify the appropriate parties of an employee separation from Department employment and that, once the notification was received, the employee's access to the network and other systems was to be deactivated. Supervisors were also required to complete an *Employee Separation Form* for all employees separating from Department employment.

As part of our audit, we evaluated selected Department FLAIR access controls, including controls for granting FLAIR user access privileges and timely deactivating FLAIR access privileges upon a user's separation from Department employment. Our examination of FLAIR access and People First[23] records disclosed that FLAIR access privileges for 3 of the 52 Department employees who separated from Department employment during the period July 2015 through January 2017 remained active 30 to 126 business days (an average of 68 business days) after the employees' separation dates. In response to our audit inquiry, Department management indicated that employee error contributed to the untimely deactivation of FLAIR access privileges. Notwithstanding the untimely deactivation of access privileges,

[22] Department Policy and Procedure FDJJ – 1003.11, *Employee Separation*.

[23] People First is the State's Web-based human resource information resource system.

our audit tests disclosed that none of the employees' user accounts were used to access FLAIR subsequent to the employees' separation dates.

The prompt deactivation of access privileges upon an employee's separation from Department employment reduces the risk of unauthorized disclosure, modification, or destruction of Department data.

Recommendation: We recommend that Department management strengthen procedures to ensure that FLAIR access privileges are timely deactivated upon an employee's separation from Department employment.

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 July 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.

This operational audit of the Department of Juvenile Justice (Department) focused on the administration of residential services and selected administrative activities. 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.

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 gain an understanding of residential services.
- Obtained an understanding of internal controls and evaluated the effectiveness of key processes, policies, and procedures related to residential services.
- Obtained an understanding of selected Department information technology (IT) controls, assessed the risks related to those controls, evaluated whether selected application controls for the SkillPro learning management system and the Department network were in place, and tested the effectiveness of the controls.
- From the population of 58 residential commitment program facilities, examined Department monitoring records for the 2015-16 fiscal year for 10 residential commitment program facilities (4 Central Region facilities and 3 facilities each from the North and South Regions) to determine whether the Department conducted adequate monitoring of residential commitment program facilities in accordance with established policies and procedures.
- From the population of 47 administrative contract compliance reviews conducted during the period July 2015 through January 2017, examined Department records for 10 contract reviews (related to ten residential commitment program facilities - 4 Central Region facilities and 3 facilities each from the North and South Regions) to determine whether the Department conducted adequate administrative compliance monitoring reviews in accordance with established policies and procedures.
- From the population of 54 residential commitment program facilities in operation as of March 2017, selected 10 residential commitment program facilities and examined Department records for 40 weekly security audits and safety inspections required to be conducted at those facilities during the period July 2015 through January 2017 to determine whether the audits and inspections were timely conducted; audit tools were sufficient to determine facility adherence to applicable laws, rules, regulations, and other guidelines; corrective actions were developed or implemented as a result of the audits and inspections; and identified deficiencies were timely corrected.
- From the population of 27 Department residential commitment program employees and 422 residential commitment program provider employees in service who were required to have background screenings during the period July 2015 through January 2017, examined Department records for 8 Department residential commitment program employees and 32 residential commitment program provider employees to determine whether the employees were subject to

level 2 background screenings in accordance with State law and Department policies and procedures.

- From the population of 181 residential commitment program provider staff hired during the period July 2015 through January 2017, examined Department training records for 24 staff to determine whether Department records evidenced that the staff completed pre-service training and were appropriately certified within the time frame required by Department rules.
- From the population of 226 residential commitment program staff from six residential commitment program facilities (63 Department residential commitment program employees and 163 residential commitment program provider employees) in service during the period July 2015 through January 2017, examined Department training records for 5 Department residential commitment program employees and 16 residential commitment program provider employees to determine whether Department records evidenced that staff completed the annual in-service training specified by Department rules and policies and procedures.
- Examined Department records for the Office of Residential Services' 2015-16 fiscal year Comprehensive Accountability Report to determine whether the report was valid, complete, and prepared in accordance with State law.
- From the population of 2,436 reportable incidents related to residential commitment programs and recorded in the Central Communications Center system during the period July 2015 through January 2017, examined Department records for 45 selected incidents to determine whether the incidents were timely reported, investigated, and reviewed in accordance with applicable laws, rules, and other guidelines.
- From the population of 54 residential commitment program facilities in operation as of March 2017, examined juvenile education reports submitted and records of annual monitoring visits conducted during the period July 2015 through January 2017 for 5 residential commitment program facilities to determine whether the reports were accurate, complete, and timely received by the Department and whether education programs were evaluated by the Department during the annual monitoring process.
- Observed, documented, and evaluated the effectiveness of selected Department processes and procedures for:
    - Revenues and cash receipts, purchasing activities, managing FLAIR and other IT system access privileges, settlement agreements, and financial reconciliations.
    - The administration of Department travel in accordance with State law and other applicable guidelines. During the period July 2015 through January 2017, Department travel expenditures totaled $2,545,866.
    - The assignment and use of wireless devices with related costs totaling $1,989,123 during the period July 2015 through January 2017.
    - 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 69 active real property leases with annual lease payments totaling $8,754,691.
- Interviewed Department management, examined Department forms, and evaluated Department compliance with applicable statutory requirements for collecting and utilizing individuals' social security numbers.
- 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 findings and recommendations 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.

Sherrill F. Norman, CPA
Auditor General

FLORIDA DEPARTMENT OF JUVENILE JUSTICE

Rick Scott, Governor **Christina K. Daly, Secretary**

January 8, 2018

Sherrill F. Norman, CPA
Auditor General
G74 Claude Pepper Building
111 West Madison Street
Tallahassee, FL 32399-1450

Dear Ms. Norman:

Please find attached the Department's responses to the findings from your recent operational audit of the Department of Juvenile Justice, Residential Services and Selected Administrative Activities. We concur with the findings and have taken the appropriate steps to ensure corrective actions will be or have already been put in place.

I appreciate the professionalism shown by your staff while conducting the audit and feel this audit will enhance the Department's operations.

Sincerely,

Christina K. Daly
Secretary

cc: Fred Schuknecht, Chief of Staff
Timothy Niermann, Deputy Secretary
Laura Moneyham, Assistant Secretary for Residential Services
Vickie Harris, Director of Administration
Amy Johnson, Director of Program Accountability
Cina Wilson-Johnson, Director of Staff Development & Training
Robert Munson, Inspector General

Enclosure

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The mission of the Department of Juvenile Justice is to increase public safety by reducing juvenile delinquency through effective prevention, intervention, and treatment services that strengthen families and turn around the lives of troubled youth.

Department of Juvenile Justice
Response to the Audit Findings

Finding 1: Annual Compliance Monitoring of Residential Commitment Programs

Department annual compliance monitoring of residential commitment programs needs improvement. We recommend that Department management ensure the documented completion of all applicable annual compliance monitoring activities and that critical deficiencies noted during monitoring are timely communicated to residential commitment program providers.

Response

We concur with the finding and recommendation. The Okaloosa Youth Development Center Annual Compliance Report (on-site visit 1/5/16 – 1/8/16) was completed and posted on May 9, 2016. In the email posting the report, the Prioritization and Planning Team (P&P) always copy the appropriate Monitoring and Quality Improvement (MQI) Regional Monitoring Supervisor and the MQI Lead Regional Monitor. The Lead Regional Monitors were expected to review the report and if necessary, update the PMM deficiency information. In the case of Okaloosa Youth Development Center, this step was missed. Due to the program having a new provider (Youth Opportunity International, LLC.), the previous provider (Gulf Coast Youth Services) information was closed out in PMM, which prevents us from going back in to add the deficiency.

Moving forward, in addition to the email posting the report on-line and always copying the appropriate MQI Regional Monitoring Supervisor and the MQI Lead Regional Monitor, the P&P Team is also sending a second, separate email to the MQI Regional Monitoring Supervisor and the MQI Lead Regional Monitor instructing them to review the rating changes in the report and if necessary, update PMM deficiency information. We are also adding another step (a secondary back-up) for the MQI Regional Monitoring Supervisor to notify the P&P Team once the deficiency information has been updated in PMM. Combined, the steps outlined above should prevent this issue from occurring in the future.

Finding 2: Annual Administrative Compliance Reviews

Department annual administrative compliance reviews of residential commitment program providers need improvement. We recommend that Department management ensure that monitoring activities are sufficient and documented, Department records evidence that noted deficiencies are communicated to and corrected by providers, and Conflict of Interest Questionnaires are completed by contract managers for all assigned contracts. We also recommend that Department management ensure that administrative compliance reviews are performed based on the contract risk assessment or otherwise document the basis for the type of review conducted.

Response

We concur with the finding and the recommendation. The Bureau of Contract Management has recently completed a thorough review of its administrative review process and tools. What was

formally two separate review tools (checklist and desk/on-site tool) have now been combined into one, streamlining the process and clarifying which parts of the tool are required to be completed for each type review. In addition, a guidebook has been developed which provides detailed instructions on how to conduct reviews and complete the form. The guidelines state any deficiency identified during the review requires the deficiency be entered in the PMM summary and verification monitoring must be done to ensure the deficiency is corrected.

The FY 17-18 Monitoring Prioritization Tool listing for administrative reviews has been updated to include comments about any program/contract whose initial score from the assessment was revised due to management interests. The Bureau of Contract Management is conducting a review of all active contracts to ensure a conflict of interest questionnaire form is on file for the current contract manager. In addition, the conflict of interest questionnaire form has been updated to include the signature of the contract manager's immediate supervisor. This update provides the supervisor with a mechanism to monitor ensuring forms are completed when contract managers under their supervision are assigned contracts.

Finding 3: Weekly Security Audits and Safety Inspections

Department records did not always evidence that required weekly security audits and safety inspections of residential commitment program facilities were conducted. In addition, residential commitment programs did not always develop and implement corrective actions to address, or timely address, security and safety deficiencies noted during the weekly audits and inspections conducted. We recommend that Department management strengthen monitoring procedures to ensure that required security audits and safety inspections are conducted and appropriately documented and work with providers to enhance facility operating procedures to timely address follow-up on deficiencies noted during security audits and safety inspections.

Response

We concur with the finding and the recommendation. The Department recently hired two staff to provide oversight and technical assistance in the area of facility safety and security. One is currently assigned to the North Region and another in the South Region. The Department is currently in the process of identifying another position for the Central Region.

The Safety and Security Specialist will:

- Ensure weekly safety and security audits are completed, documented accurately and retained as outlined in the program's facility operating procedure(s).
- Ensure the provider develops and implements appropriate corrective actions in a timely manner to address safety deficiencies that are identified during the weekly audits.
- Provide needed technical assistance and work in collaboration with the program to proactively address concerns.
- Ensure the programs operating procedures outline the weekly audit process including the timely correction of noted deficiencies.

Finding 4: Residential Commitment Program Provider Staff Pre-Service Training

Department records did not always demonstrate that residential commitment program provider staff successfully completed the pre-service training specified by Department rules. We recommend that Department management ensure that SkillPro evidences that all residential commitment program provider staff complete, within 180 days of being hired, the pre-training specified by Department rules.

Response

We concur with the finding and recommendation. The Office of Residential Services is working in collaboration with the Office of Monitoring and Quality Improvement and Office of Staff Development and Training to address the approval and tracking of pre-service training. The residential providers are currently audited annually and deficiencies related to incomplete training is documented in the annual compliance report and deficiencies are entered into the Department of Juvenile Justice Information System (JJIS). Deficiencies must be verified as corrected by DJJ staff prior to closure.

Finding 5: Residential Commitment Program Staff Annual In-Service Training

Department records did not always demonstrate that Department and residential commitment program provider staff completed the annual in-service training required by Department rules and policies and procedures. We recommend that Department management ensure that SkillPro evidences that all Department and residential commitment program provider staff complete the annual in-service training required by Department rules and policies and procedures.

Response

We concur with the finding and recommendation. The Office of Residential Services has put internal processes in place to ensure all State residential staff complete the required annual in-service training. The Department has verified all in-service training for internal residential staff will be completed by December 31, 2017, as required.

SkillPro Training Coordinators will ensure:

- Coordination with identified headquarters training coordinator to verify all annual in-service training is completed and documented appropriately in SkillPro by December 1st of each calendar year. Training Coordinators will also review training quarterly and update leadership on progress towards training completion.

Finding 6: Security Controls – User Authentication and Access

Certain security controls related to SkillPro learning management system user authentication and access need improvement to promote the integrity and availability of SkillPro data and related information technology resources. We recommend that Department management

strengthen certain SkillPro security controls related to user authentication and access to promote the integrity and availability of SkillPro data and related IT resources.

Response

We concur with the finding and recommendation. The Office of Staff Development and Training is working with IT to address the security controls of the Department's Learning Management System, SkillPro. This will include authentication and promote the security, integrity, and availability of SkillPro data and related IT resources.

Finding 7: Incident Reporting and Reviews

Reportable incidents related to residential commitment programs were not always timely reported to the Department's Central Communications Center, reviews of reported incidents were not always timely completed, and reported incidents were not always recorded in residential commitment program logbooks. We recommend that Department management continue efforts to ensure that incidents are timely reported and incident reviews are timely completed and subjected to management review. We also recommend that Department management strengthen procedures for ensuring that residential commitment program providers maintain adequate incident records, including logbooks, and such records are returned to the Department in accordance with provider contract terms and conditions.

Response

We concur with the finding and the recommendations. The current residential administrative rule requires the program maintain an internal tracking and documentation system for incidents. The review of Failure to Report incidents is captured in the annual compliance report and applicable deficiencies are noted in JJIS. The substantiated incidents of Failure to Report are identified during Program/Management reviews or Office of Inspector General Investigations. The substantiated incidents of failing to report an incident do have a negative impact on the contract's past performance scoring, which is considered during the contract renewal process. The Office of Residential Services is working with the Office of Monitoring and Quality Improvement to improve the information being reviewed in the annual compliance review and residential review standards to ensure incidents are reported timely to the Central Communications Center (CCC), as required.

The implementation of the new CCC system will assist in the tracking and timely review of incidents. The Office of Residential Services has transitioned staff to ensure the initial classification/assignment of incidents is completed in a more efficient manner.

Finding 8: FLAIR Access Controls

The Department did not always timely deactivate user access privileges to the Florida Accounting Information Resource Subsystem upon an employee's separation from Department employment. We recommend that Department management strengthen procedures to ensure that FLAIR access privileges are timely deactivated upon an employee's separation from Department employment.

Response

We concur with the finding and recommendation. A review of the 3 employee separation notices in question revealed that for two employees, the separation notification was issued in a timely manner and it appears that the Finance and Accounting staff neglected to separate the employee timely due to oversight. The remaining employee separation notice was never completed by the manager and the Finance and Accounting staff failed to capture this on the Weekly People First Termination report.

In 2015 three members of the Finance and Accounting staff, the Assistant Bureau Chief, Travel Unit Supervisor and the Access Control Custodian were granted permission to access People First and download the termination report for the department on a weekly basis. This extra safeguard was put in place to assist with the timely cancellation of employee's FLAIR Access, in cases where the use of the notification system was neglected.

We will continue to work with the Access Custodian to ensure the timely cancellation of employee FLAIR Access.