

DEPARTMENT OF JUVENILE JUSTICE

Procurement and Administration of
Non-Residential Services Contracts,
Selected Administrative Activities,
and Prior Audit Follow-Up



Sherrill F. Norman, CPA
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. During the period of our audit, the following individuals served as Department Secretary:

Simone Marsteller	From January 9, 2019
Timothy Niermann, Interim	September 1, 2018, through January 8, 2019
Christina Brodeur	Through August 31, 2018

The audit was supervised by Allen Weiner, CPA.

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DEPARTMENT OF JUVENILE JUSTICE

Procurement and Administration of Non-Residential Services Contracts, Selected Administrative Activities, and Prior Audit Follow-Up

SUMMARY

This operational audit of the Department of Juvenile Justice (Department) focused on the procurement and administration of non-residential services contracts and selected administrative activities. The audit also included a follow-up on the applicable findings noted in our report Nos. 2018-084 and 2016-195. Our audit disclosed the following:

Procurement and Administration of Non-Residential Services Contracts

Finding 1: Department records did not always evidence that the Department reviewed the State's listing of convicted vendors prior to contracting with vendors or that all individuals involved in contract awards attested, in writing, that they were independent of, and had no conflict of interest related to, the vendors selected.

Selected Administrative Activities

Finding 2: The Department did not always timely disable access privileges to Department information technology (IT) systems upon an employee's separation from Department employment. In addition, the Department did not conduct periodic reviews of the appropriateness of user access privileges to the Contract Tracking System or network and Department records did not demonstrate the date network accounts were disabled.

Finding 3: Department procedures for timely recording tangible personal property acquisitions in Department property records need enhancement.

Secure Detention Center Services

Finding 4: As similarly noted in our report No. 2016-195, the Department did not always ensure that quarterly security audits of secure detention centers were appropriately conducted and documented. In addition, Department records did not always demonstrate that appropriate and timely actions were taken to communicate and follow up on the results of the audits.

Finding 5: Department records sometimes did not adequately demonstrate that secure detention staff completed the annual in-service training required by Department rules. A similar finding was noted in our report No. 2016-195.

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

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

and services within the juvenile justice continuum. To deliver these programs and services, State law² 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 2019-20 fiscal year, the Legislature appropriated approximately \$594 million to the Department and authorized 3,279.50 positions.³

FINDINGS AND RECOMMENDATIONS

PROCUREMENT AND ADMINISTRATION OF NON-RESIDENTIAL SERVICES CONTRACTS

State law⁴ authorizes the Department to contract with various entities to carry out Department responsibilities. In addition to contracting with private providers to operate residential commitment programs in the State, the Department contracts with various other entities to provide non-residential services including prevention and intervention services, detention screening and intake services, and comprehensive health services. The Department, Bureau of Procurement and Contract Administration (Bureau), is responsible for developing, maintaining, and disseminating Department policies, procedures, and guidelines governing Department procurement activities and contracting practices. In addition, the Bureau is responsible for providing technical assistance, training, and administrative guidance related to procurement and contract processes and documents to Department personnel. During the period July 2017 through January 2019, Department non-residential services contract expenditures totaled \$243,714,315.

Finding 1: Contract Awards

The Legislature has declared that it is essential to the proper conduct and operation of government that public officials be independent and impartial and that no officer or employee of a State agency have any interest, financial or otherwise, direct or indirect; engage in any business transaction or professional activity; or incur any obligation of any nature which is in substantial conflict with the proper discharge of their duties in the public interest.⁵ Accordingly, Department policies and procedures⁶ required that, for competitive procurements in excess of \$35,000, individuals taking part in the contract award process complete a *Conflict of Interest Questionnaire*.

State law⁷ specifies that a public entity⁸ may not accept any bid, proposal, or reply from, award any contract to, or transact any business in excess of \$35,000 with any person or affiliate on the State's convicted vendor list for a period of 36 months following the date the person or affiliate was placed on the convicted vendor list. The Department of Management Services (DMS) is responsible for maintaining

² Section 20.316(2), Florida Statutes.

³ Chapter 2019-115, Laws of Florida.

⁴ Section 985.644(1), Florida Statutes.

⁵ Section 112.311, Florida Statutes.

⁶ Department Procedure FDJJ-2050P, *Procurement and Contract Administration Procedures*.

⁷ Section 287.133(2)(b), Florida Statutes.

⁸ Section 287.133(1)(f), Florida Statutes, defines public entity to mean the State, any of its departments or agencies, or any political subdivision.

the State's convicted vendor list and, pursuant to DMS rules,⁹ is to publish an updated list each quarter on its Web site.

We examined Department records for ten non-residential services contracts exceeding \$35,000 and totaling \$29,525,761 that became effective during the period July 2017 through January 2019 and noted that, for three competitively procured contracts totaling \$15,244,897, the Department was unable to provide a completed *Conflict of Interest Questionnaire* for 7 of the 19 individuals who participated in the contract awards. In addition, for two of those competitively procured contracts totaling \$14,557,617 and a \$2,347,013 non-competitively procured contract, Department records did not evidence that staff had reviewed the State's convicted vendor list prior to executing the contracts. In response to our audit inquiry, Department management indicated that documentation evidencing completion of *Conflict of Interest Questionnaires* and review of the State's convicted vendor list was unavailable due to the Department transferring hard copy procurement documents to an electronic document management system.

Our review of the State's convicted vendor list in September 2019 found that none of the three vendors were included on the list. However, absent documentation of the Department's timely review of the State's convicted vendor list, the Department cannot demonstrate that it has only accepted bids, proposals, or replies from, awarded contracts to, and transacted business with appropriate vendors. In addition, the completion of *Conflict of Interest Questionnaires* by all individuals involved in applicable Department contract awards reduces the appearance and opportunity for favoritism and provides greater assurance that contracts are impartially awarded.

Recommendation: We recommend that Department management ensure that Department records evidence that all individuals involved in the procurement and awarding of applicable contracts complete *Conflict of Interest Questionnaires* and that the State's convicted vendor list is timely reviewed during the procurement process.

SELECTED ADMINISTRATIVE ACTIVITIES

As part of our audit, we evaluated selected Department administrative activities and controls, including those related to information technology (IT) access privileges and tangible personal property.

Finding 2: IT Access Privilege Controls

Agency for State Technology (AST) rules¹⁰ required State agencies to ensure that IT access privileges are disabled when access to an IT resource is no longer required. Accordingly, Department policies and procedures¹¹ required access privileges be disabled when a user's employment was terminated or access to an IT resource was no longer required. Prompt action to disable access privileges when a user

⁹ DMS Rule 60A-1.006(5), Florida Administrative Code.

¹⁰ AST Rule 74-2.003(1)(a)8., Florida Administrative Code. Effective July 1, 2019, Chapter 2019-118, Laws of Florida, created the Division of State Technology within the Department of Management Services (DMS) and transferred the existing powers, duties, functions, personnel, records, property, and funds of the AST to the Division of State Technology. Accordingly, effective July 1, 2019, AST Rules, Chapter 74-2, Florida Administrative Code, were transferred to DMS Rules, Chapter 60GG-2, Florida Administrative Code. AST Rules, Chapter 74-2, Florida Administrative Code, were in effect during our audit period (July 2017 through January 2019).

¹¹ Department Procedure FDJJ-1205.30, *Information Resource Security Handbook*.

separates from employment or no longer requires access to an IT resource is necessary to help prevent misuse of the access privileges. AST¹² rules also required State agencies to review access privileges periodically based on system categorization or assessed risk to help ensure that only authorized users have access and the access privileges provided to each user remain appropriate.

As part of our audit, we evaluated IT user access privilege controls for the Contract Tracking System (CTS)¹³ and the Juvenile Justice Information System (JJIS)¹⁴ and found that improvements were needed to ensure that periodic reviews of CTS user access privileges were performed and CTS and JJIS user access privileges were timely disabled upon a user's separation from Department employment. Specifically, we found that:

- The Department did not review the appropriateness of CTS user access privileges during the period July 2017 through January 2019.
- 14 of the 26 CTS user accounts disabled during the period July 2017 through January 2019 were disabled 10 to 375 business days (an average of 143 business days) after the users' employment separation dates.
- 7 of the 205 CTS user accounts active as of January 2019 were assigned to users who had separated from Department employment. As of January 31, 2019, the 7 user accounts remained active although 46 to 331 business days (an average of 189 business days) had elapsed since the users' employment separation dates.
- 417 of the 4,039 JJIS user accounts disabled during the period July 2017 through January 2019 were disabled 2 to 335 business days (an average of 44 business days) after the users' employment separation dates.
- 13 of the 2,466 JJIS user accounts active as of January 2019 were assigned to users who had separated from Department employment. Specifically, as of October 8, 2019, 1 user account remained active although 197 business days had elapsed since the user's employment separation date, and 12 user accounts were disabled after January 2019, 94 to 107 business days after the users' employment separation dates.

According to Department management, periodic reviews of the appropriateness of CTS user access privileges were not conducted due to limited staff resources during the period of our audit. Additionally, Department management indicated that CTS user accounts are sometimes left active so that workflow tasks can be reassigned. Further, JJIS user accounts were not timely disabled due to staff oversight in disabling the privileges and supervisors not timely inputting employee separation dates in the Department's separation notification system.

Our audit also disclosed that the Department was unable to capture the date network user accounts are disabled as, according to Department management, they did not have a security information and event management product, or other means, to log the date Department employee network accounts are disabled. In addition, we noted that, while the Department had established a system-generated review that identified and disabled network accounts that had not been used in 30 days, the review did not assess the appropriateness of network access privileges.

¹² AST Rule 74-2.003(1)(a)6., Florida Administrative Code.

¹³ The CTS is the Department's procurement and contract workflow and data system for service contracts. Contract information in the CTS is transmitted to the JJIS and the Florida Accountability and Contract Tracking System.

¹⁴ The JJIS is an information system and database containing confidential data and information for youth under the Department's care. The Department uses the JJIS to track youth throughout the juvenile justice process.

Periodic reviews of the appropriateness of IT user access privileges and prompt disabling of user access privileges upon an employee's separation from Department employment or when access to an IT resource is no longer required provides Department management assurance that user access privileges are authorized and remain appropriate. Additionally, capturing the dates network user access privileges are disabled would demonstrate that user access privileges are timely disabled when access to the network is no longer required.

Recommendation: We recommend that Department management ensure that periodic reviews of the appropriateness of CTS and network user access privileges are performed. We also recommend that, when CTS, JJIS, or network user access privileges are no longer required, Department management ensure that the timely disabling of user access privileges is appropriately documented.

Finding 3: Tangible Personal Property Controls

Effective controls for the management of tangible personal property require that property items be adequately controlled, safeguarded, and accounted for by Department management. Department of Financial Services (DFS) rules¹⁵ specify that State agencies are to record all tangible personal property with a value or cost of \$1,000 or more and a projected useful life of 1 year or more in the Florida Accounting Information Resource (FLAIR) Property Subsystem. According to Department property records, as of January 31, 2019, the Department was responsible for 4,629 active tangible personal property items with acquisition costs totaling approximately \$30.2 million. Of those items, according to Department records, 513 items with acquisition costs totaling approximately \$3.1 million were acquired during the period July 2017 through January 2019.

As part of our audit, we evaluated Department property management procedures and examined Department property records to determine whether the procedures promoted, and the records evidenced, the timely recording of tangible personal property items in Department property records. We found that Department property management procedures did not specify a time frame for adding tangible personal property to Department property records. Additionally, Department management indicated that the applicable General Services Liaison was allowed 90 days from the date the Department paid an invoice to affix the property tag and collect information (e.g., manufacturer, serial number, location) related to an acquired property item. Once the property tag was affixed and property item information collected, the Department was to record the acquired property item in Department property records. The Department's procedures for adding tangible personal property to Department property records and absence of a specified time frame contributed to the deficiencies noted on audit.

Specifically, we noted multiple instances in which tangible personal property items were not timely added to Department property records. In the absence of a Department-specified time frame, we considered property record additions to be timely if made within 30 days of receipt of the property item. Our examination of Department records for the 513 tangible personal property items acquired during the period July 2017 through January 2019 disclosed that the Department had not timely added 261 of the property items, with acquisition costs totaling \$760,206, to Department property records. The 261 items were added to Department property records 31 to 510 days (an average of 93 days) after the items were

¹⁵ DFS Rule 69I-72.002, Florida Administrative Code.

received. For example, 52 chairs and 20 sofas with acquisition costs totaling \$63,919 and \$35,995, respectively, were received in August 2018 but were not added to Department property records until November 2018.

Absent effective tangible personal property controls, Department management has reduced assurances regarding the information needed to correctly report and maintain proper accountability over Department property.

Recommendation: We recommend that Department management enhance property management procedures to specify a time frame for adding tangible personal property to Department property records and ensure that Department property records are timely updated for property acquisitions.

SECURE DETENTION CENTER SERVICES

State law¹⁶ specifies that the Department is to operate a Statewide, regionally administered system of detention services for children which includes secure detention centers and nonsecure detention programs. The Department is responsible for determining whether youths under the age of 18 who are taken into custody by law enforcement are to be detained in a secure detention center. Department staff utilize a standard risk assessment instrument to conduct detention screening, and all youth assessed as a risk to public safety are to be placed in a secure detention center while awaiting court proceedings. The Department operates 21 secure detention centers in the State through three regional offices (North, Central, and South). Each secure detention center is administered by a Superintendent who reports to the applicable Regional Director.

Finding 4: Quarterly Security Audits

To maintain appropriate security within each secure detention center, Department rules¹⁷ and policies and procedures¹⁸ require the Superintendents to ensure that quarterly audits of secure detention center security systems, devices, and procedures are conducted and documented. Quarterly security audits were conducted by a security auditor who was to complete a security audit tool documenting the results of the audit, including any noted deficiencies and planned corrective actions. The secure detention center Superintendent was to document their agreement with the corrective actions by signing the completed quarterly security audit tool.

Security audit results were to be submitted to the applicable Regional Director to review for completeness and accuracy within 10 business days of the completion of the audit. Any needed corrective actions were to be submitted by the Superintendent to the Regional Office and the Headquarters Safety Officer for review within 30 days of the completion of the security audit. Corrective actions identified in the audit that required special funding or involved extenuating circumstances that prevented the actions from being completed in 30 days were to be tracked by the Regional Director and submitted to the Headquarters Safety Officer upon completion. Notwithstanding Department policies and procedures, the Department's

¹⁶ Section 985.601(9)(a), Florida Statutes.

¹⁷ Department Rule 63G-2.019(1), Florida Administrative Code.

¹⁸ Department Facility Operating Procedures 5.01, *Building and Safety Security*.

process was to follow up on cited deficiencies during the detention center's next quarterly security audit, except life or safety emergencies, which were to be corrected immediately.

In our report No. 2016-195 (Finding 3), we noted that the Department did not always ensure that quarterly security audits of secure detention centers were appropriately conducted and documented. In addition, we noted that Department records did not always demonstrate that appropriate and timely actions were taken to communicate and follow up on the results of the security audits. As part of our follow-up audit procedures, we evaluated Department quarterly security audit rules and policies and procedures and examined Department records related to 12 quarterly security audits required to be conducted at 12 secure detention centers¹⁹ during the period July 2017 through December 2019. Our audit procedures disclosed that:

- The Department had not performed 1 of the 12 required quarterly security audits.
- Security audit tools were not always appropriately completed. Specifically, for 3 security audits, Department staff did not address all the criteria included on the security audit tool. The criteria not addressed included, for example, criteria related to mechanical constraints and sally port gates.
- Department records did not always evidence that security audit results were submitted, or timely submitted, to the applicable Regional Director. Specifically:
 - The Department was unable to provide documentation demonstrating that the results of 5 security audits had been communicated to the applicable Regional Director.
 - The results of 1 security audit were submitted to the Regional Director 50 days after the audit was completed.
- While Department policies and procedures required Superintendents to submit corrective actions to the Regional Office and Headquarters Safety Officer, neither Department rules nor policies and procedures addressed how corrective actions were to be prepared or how deficiencies noted during quarterly security audits were to be followed up on to evaluate the extent to which appropriate corrective actions had been taken. These deficiencies may have contributed to the lack of evidence in Department records regarding appropriate actions taken to address quarterly security audit findings. Specifically:
 - The corrective actions for 10 security audits did not address all deficiencies cited in the audits.
 - Department records for 5 security audits did not evidence the Superintendent's agreement with the corrective actions prepared.
 - For 5 security audits with cited deficiencies, Department records did not evidence that corrective actions had been submitted to the Regional Office or Headquarters Safety Officer for review.
 - For 10 security audits, the Department did not follow up on disclosed deficiencies including, but not limited to, blind spots, unsecured and improperly maintained cell doors, and nonfunctioning cameras, until 57 to 147 days (an average of 96 days) after the audits had been completed. For another security audit which disclosed deficiencies including, but not limited to, a nonfunctioning sally port gate, a damaged portable, and a damaged shed, the Department was unable to provide documentation demonstrating that the Department had conducted follow-up procedures to determine whether appropriate corrective actions had been taken.

¹⁹ Four centers each from the North, Central, and South Regions.

According to Department management, staff workload and human error contributed to the deficiencies noted.

The completion of required quarterly security audits, documentation evidencing appropriate completion of audit procedures, timely communication of security audit results to the Regional Office and Headquarters Safety Officer, and timely follow up on deficiencies requiring corrective actions would provide the Department greater assurance that secure detention centers are operating in a manner that maintains appropriate security within the facility and in accordance with applicable rules and policies and procedures.

Recommendation: We again recommend that Department management ensure that required quarterly security audits are appropriately conducted and documented and security audit tools demonstrate that all applicable criteria are evaluated. We also recommend that Department management enhance security audit policies and procedures to address the preparation of corrective actions and timely follow up on deficiencies noted during security audits.

Finding 5: Detention Staff Annual In-Service Training

Department rules²⁰ require secure detention staff to complete 24 hours of annual in-service training addressing the following topics: protective action response (PAR) update, cardiopulmonary resuscitation (CPR) and automated external defibrillator (AED), first aid, suicide prevention, and professionalism and ethics. While Department rules specify that most mandatory in-service training is required once per calendar year, the rules require 8 hours of PAR training once every 12 months. In addition, secure detention staff who have obtained a multi-year certification in first aid are only required to complete training as required by the certification. During the period July 2017 through June 2018, the Department employed 1,439 secure detention staff.

In our report No. 2016-195 (Finding 6), we noted that Department records did not always adequately demonstrate that secure detention staff completed the annual in-service training required by Department rules. As part of our follow-up audit procedures, we examined Department records for 8 secure detention staff to determine whether the staff members satisfied the mandatory annual in-service training requirements during the 2017 and 2018 calendar years. Our examination disclosed that the Department was unable to provide sufficient documentation, such as training attendance rosters, completed tests, certifications, or evaluation forms, demonstrating that the secure detention staff had completed all required mandatory annual in-service training. Additionally, we found that, while Department training system records reflected the completion of some required training, the records did not always agree with other Department training documentation, such as training attendance rosters, or reflect all training completed by Department secure detention staff.

Table 1 summarizes, by mandatory annual in-service training topic, the number of secure detention staff included in our tests who were required to complete training and the number of those staff for whom sufficient documentation demonstrating completion of the required training was not provided in response to our audit requests.

²⁰ Department Rule 63H-2.007(8) and (9), Florida Administrative Code.

**Table 1
Annual In-Service Training Not Sufficiently Documented**

Training Topic	Number of Selected Staff for Whom Sufficient Documentation Not Provided		Number of Selected Staff Required to Complete Training Topic	
	2017	2018	2017	2018 ^a
PAR	-	-	8	7
CPR and AED	1	1	8	7
First aid	1	1	8	7
Suicide prevention	-	-	8	7
Professionalism and ethics	-	4	8	7

^a The totals for each annual in-service training topic do not equal 8 due to the timing of secure detention staff separation dates.

Source: Department training records.

According to Department management, staff workload may have contributed to training information not being entered in the Department’s training system. Additionally, Department management indicated that the required courses were not always offered within the necessary time frame.

Sufficient documentation evidencing that all secure detention staff timely complete required annual in-service training is necessary to demonstrate that staff have received the training specified by Department rules.

Recommendation: We again recommend that Department management maintain appropriate documentation to evidence that secure detention staff timely complete the annual in-service training required by Department rules.

Follow-Up to Management’s Response

Department management indicated in their written response that “there is no requirement that evaluation forms or training rosters be collected for all types of trainings or maintained for all types of training.” Notwithstanding this response, the point of our finding was that the completion of required training for secure detention staff should be evidenced in Department records. Consequently, the finding and related recommendation stand as presented.

PRIOR AUDIT FOLLOW-UP

Except as discussed in the preceding paragraphs, the Department had taken corrective actions for the applicable findings included in our report Nos. 2018-084 and 2016-195.

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 March 2019 through October 2019 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 non-residential services contracts 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.

Our audit also included steps to determine whether management had corrected, or was in the process of correcting, the applicable deficiencies noted in our report No. 2018-084 (Finding 6) and all deficiencies noted in our report No. 2016-195.

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 non-residential services contracts.
- Obtained an understanding of Department internal controls and evaluated the effectiveness of key Department processes, policies, and procedures related to non-residential services contracts.
- Obtained an understanding of selected Department information technology (IT) controls, assessed the risks related to those controls, evaluated whether selected general IT controls for the Juvenile Justice Information System, Contract Tracking System, and the Department network were in place, and tested the effectiveness of the selected controls.
- From the population of 89 non-residential services contracts, totaling \$60,206,628, awarded during the period July 2017 through January 2019, examined Department records for 10 selected contracts, totaling \$29,525,761, to determine whether the Department awarded the contracts in accordance with Chapter 287, Florida Statutes, and whether individuals taking part in the award process were independent of, and had no conflicts of interest related to, the entities awarded the contracts, in accordance with Section 287.057(19), Florida Statutes, and Department policies and procedures.
- From the population of 2,577 programmatic monitoring reviews required to be conducted on 62 non-residential services contracts during the period July 2017 through January 2019, examined Department records for 39 selected programmatic monitoring reviews related to 10 non-residential services contracts to determine whether the Department conducted required programmatic monitoring in accordance with Department policies and procedures and contract terms and conditions.
- From the population of 217 administrative compliance monitoring reviews required to be conducted on 175 non-residential services contracts during the period July 2017 through January 2019, examined Department records for 12 selected annual administrative compliance monitoring reviews related to 12 non-residential services contracts to determine whether the Department conducted required administrative monitoring in accordance with Department policies and procedures and contract terms and conditions.
- From the population of 38,084 non-residential services contract expenditure transactions, totaling \$243,714,315, made during the period July 2017 through January 2019, examined Department records for 40 selected contract expenditure transactions, totaling \$28,105,341, to determine whether the expenditures were in correct amounts and adequately documented, made in accordance with applicable laws and contract terms, and properly authorized and approved.
- From the population of 83 non-residential services contracts, totaling \$131,415,861, that were closed or terminated during the period July 2017 through January 2019, examined Department records for 10 selected non-residential services contracts, totaling \$30,586,379, to determine whether the total payments made by the Department for each contract exceeded the total contract award amount.
- From the population of 24 contract managers who were responsible for managing non-residential services contracts during the period July 2017 through January 2019, examined Department records for 8 selected contract managers to determine whether the contract managers were trained and certified in accordance with Section 287.057(14)(a) and (b), Florida Statutes, and Department policies and procedures.

- Evaluated Department actions to correct the findings noted in our report No. 2016-195 and Finding 6 in our report No. 2018-084. Specifically, we:
 - Reviewed applicable laws, rules, Department policies and procedures, and other guidelines related to the administration of secure detention center services to determine whether the Department provided sufficient and appropriate guidance to regional offices and secure detention centers.
 - Performed inquiries of Department management and examined Department records to determine whether the Department developed a standard quarterly security audit tool to be utilized in the North, Central, and South regions, and whether the Department established Departmentwide procedures for conducting quarterly security audits of secure detention centers.
 - From the population of 126 quarterly security audits required to be conducted at 21 secure detention centers during the period July 2017 through December 2019, examined Department records for 12 selected quarterly security audits (4 each from the North, Central, and South regions) to determine whether the required quarterly security audits were conducted, the security audit tools were adequately designed and appropriately completed, the results of the security audits were timely submitted to the Regional Director for review, corrective actions were timely and appropriately prepared, and follow-up on the cited deficiencies was timely performed.
 - From the population of 21 secure detention centers in operation during the period July 2017 through January 2019, examined Department records for 6 selected secure detention centers (2 centers each from the North, Central, and South regions) to determine whether the Department performed required annual compliance monitoring in accordance with Department policies and procedures.
 - From the population of 664 secure detention center staff hired during the period July 2017 through June 2018, examined Department records for 10 selected staff to determine whether staff had completed new hire training and were appropriately certified in accordance with Department Rules, Chapters 63H-1 and 2, Florida Administrative Code, and Department policies and procedures.
 - From the population of 1,439 secure detention center staff employed during the period July 2017 through June 2018, examined Department records for 8 selected secure detention center staff to determine whether the staff completed the required annual in-service training in accordance with Department Rules, Chapter 63H-2, Florida Administrative Code, and Department policies and procedures.
 - Analyzed Department purchasing card records for the period July 2017 through January 2019 to determine whether purchasing cards were timely deactivated upon a cardholder's separation from Department employment.
 - From the population of 1,331 IT equipment items with data storage capabilities that were identified in Department records as disposed of during the period July 2017 through December 2019, examined Department records for 15 selected items to determine whether the Department had adequately documented that surplus IT equipment had been sanitized prior to disposal. In addition, from the Department-provided list of 123 IT equipment items with data storage capabilities that were indicated as being stored in the Department's surplus room as of April 12, 2019, performed observations of and examined Department records for 15 selected items to determine whether the items were located in the Department's surplus room and whether the Department adequately documented that the items had been sanitized.
 - Obtained an understanding of selected Department IT controls, assessed the risks related to those controls, evaluated whether selected general IT controls for the SkillPro learning management system were in place, and tested the effectiveness of the controls.

- Observed, documented, and evaluated the effectiveness of selected Department processes and procedures for:
 - Cash and revenue management.
 - The administration of tangible personal property in accordance with applicable guidelines. As of January 31, 2019, the Department was responsible for 4,629 tangible personal property items with related acquisition costs totaling \$30,192,527.
 - The assignment and use of motor vehicles. As of January 31, 2019, the Department was responsible for 511 motor vehicles with related acquisition costs totaling \$10,134,061.
 - The administration of the requirements of the Florida Single Audit Act. During the period July 2017 through January 2019, the Department expended \$164,291,048 for six State Financial Assistance programs.
 - The administration of hurricane-related contracting and purchasing activities. During the period July 2017 through January 2019, the Department expended \$5,052,760 related to hurricane activity impacting the Department for three Governor-declared emergencies.
- 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

MANAGEMENT'S RESPONSE



FLORIDA DEPARTMENT OF JUVENILE JUSTICE

May 1, 2020

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 Florida Department of Juvenile Justice's response to the findings from your recent operation audit of the Department of Juvenile Justice, Procurement and Administration of Non-Residential Services Contracts, Selected Administrative Activities, and Prior Audit Follow-Up. We concur with the Findings 1 – 4 and have taken the appropriate steps to ensure corrective actions will be or have already been put in place. The Department does not concur with Finding 5 and has included rationale in our attached response.

I appreciate the professionalism shown by your staff while conducting the audit.

Sincerely,

A handwritten signature in blue ink that reads "Simone Marsteller".

Simone Marsteller

cc: Josefina Tamayo, Chief of Staff
Timothy Niermann, Deputy Secretary
Heather DiGiacomo, Deputy Secretary
Dixie Fosler, Assistant Secretary for Detention Services
Vickie Harris, Director of Administration
Christopher Goodman, Director of Program Accountability
Robert Munson, Inspector General

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Ron DeSantis, Governor

Simone Marsteller, Secretary

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: Contract Awards

Department records did not always evidence that the Department reviewed the State's listing of convicted vendors prior to contracting with vendors or that all individuals involved in contract awards attested, in writing, that they were independent of, and had no conflict of interest related to, the vendors selected.

Response

DJJ concurs with this finding. The Bureau of Procurement and Contract Administration has drafted and is in the process of finalizing a RFP Procurement Checklist, which will include the procurement manager's responsibility of requiring the program area person who evaluates a single proposal to complete the Conflict of Interest Questionnaire. An ITN Procurement Checklist is also in the process of being drafted and will include the same requirement.

Also, to address and prevent this issue in the future, Bureau of Procurement and Contract Administration staff will consider replicating our Original Contract Checklist into a checklist of standard checks the procurement manager does during the response opening period (checking Scrutinized Companies, Terminated for Cause spreadsheet, Convicted Vendors, Debarred Vendors, etc.), and printing out screens from the completed checks, even if the search returns no information (as a historical evidence it was done, and done timely).

In addition, Bureau of Procurement and Contract Administration staff will explore expanding what the Lead Contract Administrator checks at specific points in the process to ensure required documents and actions have been completed.

Finding 2: IT Access Privilege Controls

The Department did not always timely disable access privileges to Department information technology (IT) systems upon an employee's separation from Department employment. In addition, the Department did not conduct periodic reviews of the appropriateness of user access privileges to the Contract Tracking System or network and Department records did not demonstrate the date network accounts were disabled.

Response

DJJ concurs with this finding. DJJ will examine the current internal business processes and modify as needed to ensure application user accounts are disabled in a timely manner.

Finding 3: Tangible Personal Property Controls

Department procedures for timely recording tangible personal property acquisitions in Department property records needs enhancement.

Response

DJJ concurs with this finding. DJJ will update its property management procedures to specify a timeframe (within 30 days of receipt of the property item) for adding tangible personal property to its property records and the Department will also ensure that its property records are timely updated for property acquisitions.

Finding 4: Quarterly Security Audits

As similarly noted in our report No. 2016-195, the Department did not always ensure that quarterly security audits of secure detention centers were appropriately conducted and documented. In addition, Department records did not always demonstrate that appropriate and timely actions were taken to communicate and follow up on the results of the audits.

Response

DJJ concurs with this finding. Detention Services has since moved all Facility Security Inspections into the SharePoint system. The Inspections are entered into SharePoint and move through that system notifying the next approver via email. This ensures that all Security Inspections are maintained electronically, and that all mandatory approvals are documented. In addition, all Security Inspections are reviewed by a Detention headquarters staff to ensure that work orders are submitted for identified deficiencies. All work orders are monitored to ensure they are completed as required.

Finding 5: Detention Staff Annual In-Service Training

Department records sometimes did not adequately demonstrate that secure detention staff completed the annual in-service training required by Department rules. A similar finding was noted in our report No. 2016-195.

Response

DJJ does not concur with these findings. Each facility has a Field Training Coordinator (FTC) that monitors all training for staff in their center. In addition, each region has a Senior Management Analyst (SMA) that over-see and coordinates needed training in the centers in their regions. Headquarters staff also create and disseminate an annual training plan to each region that is then monitored on the regional level by the assigned SMA and at each detention center by the FTC.

The report states that the Department “was unable to provide sufficient documentation, such as training attendance rosters, completed tests, certifications, or evaluation forms.” Per Administrative Rule requirements, there is no requirement to maintain or collect those items for each training and, in fact, some of the training types utilized do not collect, by the very nature of the training, some of the items listed as “sufficient documentation.” For example - differences in training (electronic, face to face, webinars, Skype, etc.) involve different methods of tracking participation (i.e. an electronically completed training course does not have a sign in/out training roster). Also, there is no requirement that evaluation forms or training rosters be collected for all types of trainings or maintained for all types of training.