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Operational Audit

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DEPARTMENT OF CORRECTIONS

Incident Reporting, Maintenance Requests, Correctional Officer Timekeeping Records, and the State-Operated Institutions Inmate Welfare Trust Fund

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Auditor General

Secretary of the Department of Corrections

The Department of Corrections is established by Section 20.315, Florida Statutes. The head of the Department is the Secretary who is appointed by the Governor and subject to confirmation by the Senate. During the period of our audit, the following individuals served as Department Secretary:

Ricky D. Dixon	From November 19, 2021
Mark S. Inch	Through December 31, 2021

The team leader was Barry Bell, CPA, and the audit was supervised by Joshua T. Barrett, CPA.

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DEPARTMENT OF CORRECTIONS

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SUMMARY

This operational audit of the Department of Corrections (Department) focused on incident reporting, maintenance requests, correctional officer timekeeping records, and the State-Operated Institutions Inmate Welfare Trust Fund. Our audit disclosed the following:

Incident Reporting, Maintenance Requests, and Correctional Officer Timekeeping Records

Finding 1: Department controls for the timely completion, submittal, and review of incident report forms at State correctional institutions need improvement. Additionally, the Department did not exercise appropriate accountability by centrally tracking all State correctional institution incidents or periodically reconcile incident report forms to incident logs to determine whether all incidents were accurately accounted for and appropriately handled.

Finding 2: Use of force reports were not always timely provided to the Office of Inspector General (Office) for review and the Office did not always timely report to Wardens a determination as to whether the use of force complied with applicable laws, Department rules, and Department procedures.

Finding 3: Department controls over accounting for maintenance request costs and labor hours and documentation of reasons for request disapprovals need improvement.

Finding 4: The Department did not take steps to reasonably ensure that service organization controls for the Telestaff system, an electronic roster management system for recording time and attendance at the correctional institutions, were suitably designed and operating effectively.

Finding 5: Department controls over user access to the Asset Management System (AiMs) and the Telestaff system need improvement to help prevent any improper or unauthorized use of access privileges.

Finding 6: Certain security controls related to user authentication need improvement to ensure the confidentiality, integrity, and availability of AiMs data and Department information technology resources.

State-Operated Institutions Inmate Welfare Trust Fund

Finding 7: The Department reported encumbered amounts as actual expenditures in State-Operated Institutions Inmate Welfare Trust Fund annual reports.

BACKGROUND

State law[1] specifies that the purpose of the Department of Corrections (Department) is to protect the public through the incarceration and supervision of offenders and to rehabilitate offenders through

[1] Section 20.315(1), Florida Statutes.

application of work, programs, and services. According to Department records, the Department operates the third largest prison system in the United States and, as of June 30, 2023, housed 85,174 inmates and supervised 140,978 offenders released on supervision. For the 2022-23 fiscal year, the Legislature appropriated approximately $3.8 billion to the Department and authorized 23,380 positions.

FINDINGS AND RECOMMENDATIONS

INCIDENT REPORTING, MAINTENANCE REQUESTS, AND CORRECTIONAL OFFICER TIMEKEEPING RECORDS

State law[2] specifies that the Department is responsible for the safe operation and security of State correctional institutions and that the safe operation and security of State correctional institutions are critical to ensure public safety and the safety of Department employees and offenders. Assisting in the safe operation of State correctional institutions is the Department's:

- Office of Institutions which, among other things, is responsible for the oversight of incident[3] reporting.
- Division of Facilities Management and Building Construction which oversees maintenance requests, among other responsibilities.
- Office of Human Resources which, among other duties, is responsible for overseeing correctional officer notification of unscheduled absences.[4]

According to Department records, during the period July 2021 through February 2023, 354,184 incidents, including 14,265 use of force incidents, were reported at the 50 State-operated correctional institutions.

Finding 1: Incident Reporting

Department procedures[5] required correctional officers to report incidents to ensure the safe operation and security of State correctional institutions. The procedures specified that Department employees were to notify the Shift Supervisor of any incident and that the Shift Supervisor was to determine the employees required to complete and submit, by the end of their shift, a formal report to the Shift Supervisor on the incident. The report, to be documented on a Department-established incident report form, was to include the date and time of the event, as well as a statement of the circumstances and details of the incident.

Department procedures provided that all incident report forms were to be reviewed and an initial disposition made by either the Shift Supervisor or, for all non-security incidents, the applicable institution

[2] Section 944.151, Florida Statutes.

[3] Department Procedure 602.008, *Incident Reports – Institutions*, defined an incident as any unusual occurrence or information received about which formal documentation and notification is indicated. This may include an accident involving possible injury to a person or damage to equipment, a suspicious action or occurrence, or other circumstance which could impact agency operations. The incident may be related to an inmate, an employee, or a member of the general public.

[4] Department Procedure 208.035, *Correctional Officers' Notification of Unscheduled Absence*, defined an unscheduled absence as a day or partial day of absence taken by an employee without first requesting appropriate leave by the end of the workday or shift immediately prior to the date of the absence. An unscheduled absence may also apply to leaving the workplace prior to the end of the scheduled workday or shift or arriving 15 minutes or more after the scheduled time for the start of the shift, with or without approval.

[5] Department Procedure 602.008, *Incident Reports – Institutions*.

department head. The institution's Chief of Security was then to review each incident report form, record any comments, and forward the incident report form to the Warden for final review and approval of corrective action plans, if applicable. Department procedures required all incident report forms be completed and forwarded to the Warden for review within 72 hours of an incident. Each correctional institution was to maintain a comprehensive log of reported incidents, and the Chief of Security's office was responsible for maintaining and updating the log and maintaining a copy of all completed incident report forms.

We examined Department records for 101 incidents reported during the period July 2021 through March 2023 at 13 selected State correctional institutions to assess the adequacy of Department incident reporting procedures, including whether incident report forms were timely completed, submitted, and reviewed in accordance with Department procedures. Our examination disclosed that:

- The incident report forms for 3 incidents were completed by the correctional officer 2, 4, and 6 days after the incident. Additionally, although the Shift Supervisor timely reviewed all 3 incident report forms, the Chief of Security did not review the incident reports until 5, 9, and 14 days after the date of the incident. In response to our audit inquiry, Department management indicated that one of the incident report forms had to be returned for signature by a correctional officer who was on leave, another incident report form was delayed to obtain additional reports from other witnesses, and management was unable to determine the reason for the third incident report form delay.
- The Shift Supervisor did not review an incident report form until 3 days after the incident. According to Department management, the incident report form was not timely reviewed because the form was e-mailed to a Shift Supervisor who was on leave instead of the on-duty Shift Supervisor.
- For 1 incident, although Department records indicated that three correctional officers witnessed the incident, only one of the correctional officers completed an incident report form. Additionally, while the Shift Supervisor completed review of the report form on the date of the incident, the Chief of Security did not review the completed incident report form until 13 days after the incident. Although we requested, Department management was unable to provide an explanation for why the two correctional officers did not complete an incident report form but did indicate that the Chief of Security notated that the report was not timely received from the Shift Supervisor.

As a result of these various delays, the incident report forms for these 5 incidents, as well as 5 of the other 96 incidents, were submitted to the Warden late, 4 to 14 days (an average of 7 days) after the incident. For the 5 other incidents, although the incident report forms were timely completed and reviewed by the Shift Supervisor, the reports were not timely provided to the Warden because the due date for forwarding the report fell on a weekend which was not a standard work day for Wardens.

We also made inquiries of Department management and the Wardens of the 13 selected State correctional institutions to determine whether the Department had established policies and procedures for ensuring the accuracy and completeness of State correctional institution incident report logs. Our inquiries disclosed that the Department did not maintain a centralized list of all incidents reported at State correctional institutions nor did any of the 13 selected institutions perform periodic reconciliations between the institution's incident report log and completed incident report forms to determine whether all incidents had been accurately accounted for and appropriately handled. According to Department management, the Department did not have a mechanism to allow for centralized electronic logging of all State correctional institution reportable incidents.

The prompt completion, submittal, and review of incident report forms would provide greater assurance that the Department is timely addressing safety and security incidents occurring at State correctional institutions. Additionally, the establishment of a centralized mechanism to track reportable incidents across all State correctional institutions and the periodic reconciliation of incident logs to completed incident report forms would promote accountability over the handling of incidents at the State correctional institutions and facilitate management's ability to identify patterns or trends in reported incidents.

Recommendation: We recommend that Department management ensure that incident report forms are completed, submitted, and reviewed in accordance with established time frames. We also recommend that Department management centrally track all State correctional institution incidents and periodically reconcile incident report forms to incident logs to promote accountability over the handling of State correctional institution incidents and facilitate management's ability to identify patterns or trends in reported incidents.

Finding 2: Use of Force Reporting

Department rules[6] specify that any time force is used, whether organized or reactionary,[7] all staff involved in the use of force are required to complete a *Use of Force Incident Report* form that is to be attached to a *Report of Force Used*[8] that includes a clear and comprehensive narrative of the circumstances that led to the use of force, justification and necessity for the use of force, a description of the actual events that occurred, and the post-event actions. Department rules[9] require the Warden or designee to conduct a preliminary review of the facts recorded in each *Report of Force Used* and of all videotapes of the incident to determine whether the application or demonstration of force was lawful and procedurally appropriate. The Warden or designee was to note any inappropriate actions in a memorandum, attach the memorandum and all pertinent information to the *Report of Force Used,* sign the *Report of Force Used*, and indicate whether review of the *Report of Force Used* and videotapes related to the incident revealed any indication that a use of force was not authorized or appropriate.

All videotape recordings of force applications and the original and one copy of the *Report of Force Used* were to be forwarded to the Office of Inspector General (Office) for review within 11 business days of the Warden or designee receiving the *Report of Force Used*.[10] The Office was responsible for evaluating whether the type and amount of force used complied with applicable laws, Department rules, and Department procedures, and whether any procedural violations occurred. Department rules[11] require the Office to report to the Warden within 14 business days of receiving the *Report of Force Used* a determination as to whether the use of force complied with applicable laws, Department rules, and Department procedures.

[6] Department Rule 33-602.210(9)(a), Florida Administrative Code.

[7] Department Rule 33-602.210(1)(s) and (x), Florida Administrative Code, defines organized use of force as any force that may be administered to control, escort, or geographically relocate an inmate, or to quell a disturbance in controlled conditions, when the immediate application is not necessary to prevent a hazard to any person, and a reactionary use of force as any force that must be administered quickly or immediately to compel the cessation of an inmate's violence or resistance to a lawful order.

[8] The *Report of Force Used* was to be completed no later than the end of the shift during which the use of force occurred, or within 24 hours of the use of force incident if completion of the form was not possible during the shift.

[9] Department Rule 33-602.210(10), Florida Administrative Code.

[10] Department Rule 33-602.210(10)(c), Florida Administrative Code.

[11] Department Rule 33-602.210(10)(e), Florida Administrative Code.

We examined Department records for 80 use of force incidents during the period July 2021 through March 2023 at 13 selected State correctional institutions and found that *Reports of Force Used* were not always timely provided to the Office for review and the Office did not always timely report to Wardens whether the use of force complied with applicable laws, Department rules, and Department procedures. Specifically, we found that:

- For 2 reactionary use of force incidents (1 in defense of an inmate and 1 to overcome an inmate's physical resistance to a lawful order), the *Report of Force Used* was provided to the Office 15 and 18 business days after the Warden received the *Report of Force Used*. Although we requested, Department management was unable to provide an explanation for why the *Reports of Force Used* were not timely provided to the Office for review.
- For 3 reactionary use of force incidents (2 to overcome an inmate's physical resistance to a lawful order and 1 in self-defense of Department staff) and 3 organized use of force incidents (2 to quell a disturbance and 1 to overcome an inmate's refusal to follow a lawful order), the Office provided a determination to the Warden 15 to 33 business days (an average of 20 business days) after receiving the *Report of Force Used*. According to Department management, the delays were due to factors such as the submittal of a damaged video of the incident and the high volume of cases received by the Office.

The untimely submittal of *Reports of Force Used* and related support to the Office for review, and the untimely communication of Office determinations to Wardens as to whether the force used complied with applicable laws, Department rules, and Department procedures, frustrates the Department's ability to timely identify and correct violations of use of force laws, rules, and procedures, should they occur.

Recommendation: We recommend that Department management ensure that *Reports of Force Used*, including related support, are timely provided to the Office for review. Additionally, we recommend that the Office timely provide Wardens the determination as to whether the use of force applied complied with applicable laws, Department rules, and Department procedures.

Finding 3: Maintenance Requests

The Department utilized a Web-based asset management system, AiMs, to record and track requests for facility maintenance, ensure that resources were appropriately allocated and utilized, and to provide the status of maintenance and repair programs and activities, expenditures, and life cycle costs on all equipment and buildings. Department procedures[12] for the maintenance and repair of structures and equipment at State correctional institutions specified that requests for maintenance were to be made on a prescribed Department form and submitted to the institution's Chief of Security or designee for review and approval or disapproval. If disapproved, the Chief of Security or designee was to sign, date, and return the prescribed form, including the reason for disapproval, to the originator, and no data was to be input into AiMs. If approved, the designated institution department head or designee was to input the data from the prescribed form into AiMs and AiMs would generate a customer request and automatically forward the maintenance request to the applicable Maintenance Superintendent.

Upon receipt, the Maintenance Superintendent was to review the maintenance request in AiMs and, if disapproved, enter the reason for disapproval in AiMs. If approved, the Maintenance Superintendent was to complete all requested work order information in AiMs, prioritize the work order, and assign the

[12] Department Procedure 604.102, *Maintenance*.

work order in AiMs to the appropriate maintenance staff. The assigned maintenance staff were to review the work order and document completion of the work order in AiMs. Upon completion of the work order, the Maintenance Superintendent was to approve the cost and labor hours incurred to complete the work order and close the work order in AiMs.

To determine whether the Department handled, tracked, and completed work orders in accordance with Department procedures, we reviewed Department procedures and examined Department records for 40 maintenance work orders that were approved and closed in AiMs during the period July 2021 through March 2023. We found that for 5 work orders Department records did not evidence the cost or labor hours incurred to complete the requested maintenance and repairs (e.g., fixing a leaky sink, replacing a faucet, converting to an LED light in a training building). In response to our audit inquiry, Department management indicated that cost and labor hour information was not recorded due to staff shortages.

Additionally, we examined Department records for 40 maintenance requests that were disapproved in AiMs during the period July 2021 through March 2023 and found that the reason for disapproval was not entered in AiMs for 9 of the requests. The requests included a nonworking hot box, a broken door, nonworking emergency lights, a nonworking heater, and a sink with no hot water. According to Department management, inexperienced staff and staff shortages contributed to the deficiencies noted on audit.

Recording and tracking the cost and labor hours incurred to complete work orders would further the Department's ability to properly budget for future maintenance needs and documentation evidencing the reason for disapproving maintenance requests would enhance the Department's ability to demonstrate that all requests are appropriately evaluated for necessity.

Recommendation: We recommend that Department management ensure that the costs and labor hours incurred to complete each work order and the reason for disapproving maintenance requests are recorded in Department records.

Finding 4: Service Organization Controls

The Department contracted with a service organization[13] to provide the Telestaff system, an electronic roster management (scheduling) system for recording time and attendance by Department correctional officers and civilian employees at State-operated correctional institutions. As the Department relies on the Telestaff system to account for and manage staff time and attendance, it is incumbent upon the Department to take steps to reasonably ensure that service organization controls relevant to the Telestaff system are suitably designed and operating effectively. Such steps may include requiring the service organization to provide a service auditor's report[14] on the effectiveness of the controls established by the

[13] Service organizations provide services to user entities, some of which may be relevant to the user entities' internal control over financial reporting.

[14] A service auditor's report, as described by the American Institute of Certified Public Accountants, AT-C Section 320, *Reporting on an Examination of Controls at a Service Organization Relevant to User Entities' Internal Control Over Financial Reporting*, provides information and auditor conclusions related to a service organization's controls. Service organizations make service auditor reports available to user organizations to provide assurances related to the effectiveness of the service organization's relevant internal controls. AT-C Section 320.04 states that guidance provided in AT-C Section 320 may be helpful in reporting on controls at a service organization other than those that are likely to be relevant to user entities' internal control over financial reporting.

organization for the Telestaff system, or alternatively, Department monitoring of the effectiveness of relevant service organization controls.

As part of our audit, we inquired of Department management and examined Department records related to the contract with the service organization to determine whether the Department took steps to reasonably ensure that service organization controls related to the Telestaff system were suitably designed and operating effectively. Our audit procedures found that the Department had neither requested nor received a service auditor's report on the effectiveness of the service organization's Telestaff system controls or monitored the effectiveness of relevant controls. Additionally, we noted that the service organization contract did not include a provision requiring the service organization to provide the Department a service auditor's report. According to Department management, Department employees involved in overseeing Telestaff system services were not aware of the need to obtain and review service auditor reports on the effectiveness of relevant service organization controls, or otherwise monitor the effectiveness of relevant service organization controls.

Subsequent to our audit inquiry, the Department obtained service auditor reports on the service organization. However, our review of the service auditor reports, inquiries of Department management, and inquires of the service organization disclosed that the reports did not include an evaluation of the design and operating effectiveness of service organization controls relevant to the Telestaff system.

Timely evaluation of relevant service organization controls would provide Department management assurance that relevant Telestaff system internal controls are suitably designed and operating effectively.

Recommendation: We recommend that Department management make or obtain independent and periodic assessments of the design and operating effectiveness of the service organization's relevant Telestaff system internal controls.

Finding 5: Information Technology Access Controls

Department of Management Services (DMS) rules[15] require State agencies to periodically review access privileges based on system categorization or assessed risk and ensure that user access privileges are removed when access to an information technology (IT) resource is no longer required. Periodic reviews of user access privileges help ensure that only authorized users have access and that the access provided to each user remains appropriate. Prompt action to deactivate access privileges when an employee separates from employment or access to the IT resource is no longer required is necessary to help prevent misuse of the access privileges.

As part of our audit, we evaluated Department IT access controls for AiMs and the Telestaff system and found that:

AiMs

- Department records did not evidence the conduct of periodic reviews of AiMs user access privileges during the period July 2021 through March 2023. In response to our audit inquiry, Department management indicated that access privilege reviews were only conducted if there was an issue; however, the reviews were not documented.

[15] DMS Rule 60GG-2.003(1)(a)6. and 8., Florida Administrative Code.

- Due to AiMs limitations, the Department could not provide a system-generated list of AiMs user accounts evidencing the date user access to AiMs was deactivated. Consequently, the Department could not demonstrate that AiMs user access privileges had been timely deactivated for employees who separated from Department employment during the period July 2021 through March 2023.
- AiMs access privileges often remained active after a user's separation from Department employment. Specifically, our comparison of AiMs access records to People First[16] records disclosed that of the 1,572 user accounts with access to AiMs as of June 21, 2023, 77 were assigned to users who had been separated from Department employment for 83 to 720 days (an average of 469 days). According to Department management, the Department had not established policies or procedures for timely deactivating AiMs user access privileges, and that access is sometimes left active to allow for open work orders in AiMs to be closed out. Department management also indicated that, even though an account is active in AiMs, the Department removes network access for the former employee, preventing the employee from accessing the account outside of the Department. Notwithstanding, not timely deactivating AiMs user access privileges upon an employee's separation from Department employment increases the risk that the account may be accessed inappropriately by others.

Telestaff System

- Although Department management indicated quarterly reviews of Telestaff system access privileges for high-level staff were conducted by central office Department personnel to ensure that access privileges were appropriate, Department management did not maintain documentation evidencing the conduct of the reviews. Additionally, Department management indicated that the Department had not established a process for correctional institutions to conduct quarterly access reviews of Telestaff system access privileges.
- Due to Telestaff system limitations, the Department could not provide a system-generated list of Telestaff system user accounts evidencing, among other things, the date user access to the Telestaff system was deactivated. Consequently, the Department could not demonstrate that Telestaff system access privileges had been timely deactivated for employees who separated from Department employment during the period July 2021 through March 2023.
- Our comparison of Telestaff system user accounts active as of October 23, 2023, to People First records disclosed 76 instances in which users appeared to retain Telestaff system access privileges after separating from Department employment. For example, Department management confirmed that Telestaff system access privileges for two Department employees had not been deactivated until November 2, 2023, and February 22, 2024, or 889 days and 510 days, respectively, after the employees' separation from Department employment. Although we requested, Department management was unable to provide an explanation as to why access privileges did not appear to be timely deactivated.

The conduct and documentation of complete and periodic reviews of AiMs and Telestaff system user access privileges would provide Department management assurance and serve to demonstrate that user access privileges are authorized and remain appropriate. The prompt deactivation of AiMs and Telestaff system access privileges upon an employee's separation from Department employment is necessary to reduce the risk of the unauthorized disclosure, modification, or destruction of Department data and IT resources by former employees or others.

Recommendation: We recommend that Department management enhance IT user access privilege controls for AiMs and the Telestaff system to ensure that:

[16] People First is the State's human resource information system.

- **Department records evidence the conduct of periodic reviews of the appropriateness of all assigned AiMs and Telestaff system user access privileges.**
- **A system-generated list of AiMs and Telestaff system user accounts and the dates user accounts are deactivated is maintained.**
- **AiMs and Telestaff system user access privileges are deactivated immediately upon a user's separation from Department employment.**

Finding 6: AiMs Security Controls – User Authentication

Security controls are intended to protect the confidentiality, integrity, and availability of data and IT resources. Our audit procedures disclosed that certain security controls related to AiMs user authentication need improvement. We are not disclosing specific details of the issues in this report to avoid the possibility of compromising Department data and IT resources. However, we have notified appropriate Department management of the specific issues.

Without adequate user authentication controls, the risk is increased that the confidentiality, integrity, and availability of AiMs data and Department IT resources may be compromised.

Recommendation: We recommend that Department management improve certain security controls related to user authentication to ensure the confidentiality, integrity, and availability of AiMs data and Department IT resources.

STATE-OPERATED INSTITUTIONS INMATE WELFARE TRUST FUND

The State-Operated Institutions Welfare Trust Fund (Trust Fund) was established[17] to benefit and provide for the welfare of inmates incarcerated in State-operated correctional institutions. State law[18] specifies that proceeds from specified revenue streams (e.g., net proceeds from operating inmate canteens, vending machines used primarily by inmates and visitors, hobby shops, and other such facilities) are to be deposited into the Trust Fund. Prior to July 1, 2023, deposits into the Trust Fund were not to exceed $2.5 million[19] in any fiscal year and any proceeds or funds that would cause deposits to exceed that amount were to be deposited into the State's General Revenue Fund. Deposits into the Trust Fund are to be expended only pursuant to legislative appropriation. State law[20] specifies that Trust Fund deposits are to be used exclusively to provide for or operate any of the following at State-operated correctional institutions:

- Literacy programs, vocational training programs, and educational programs, including fixed capital outlay for educational facilities.
- Inmate chapels, faith-based programs, visiting pavilions, visiting services and programs, family services and programs, and libraries.
- Inmate substance abuse treatment programs and transition and life skills training programs.

[17] Chapter 2020-97, Laws of Florida.

[18] Section 945.215(1)(a) through (d), Florida Statutes.

[19] Effective July 1, 2023, Chapter 2023-244, Laws of Florida, increased the maximum deposits into the Trust Fund to $32 million.

[20] Section 945.215(2)(c), Florida Statutes.

- The purchase, rental, maintenance, or repair of electronic or audiovisual equipment, media, services, and programming used by inmates.
- The purchase, rental, maintenance, or repair of recreation and wellness equipment.
- The purchase, rental, maintenance, or repair of bicycles used by inmates traveling to and from employment in the work-release program authorized under State law.[21]
- Environmental health upgrades to facilities, including fixed capital outlay for repairs and maintenance that would improve environmental conditions of the correctional institutions.

Finding 7: Annual Report

State law[22] requires the Department to annually compile a report of Trust Fund receipts and expenditures at the Statewide and institutional levels for the previous fiscal year. The report is to be submitted by October 1 each year to the Executive Office of the Governor and the chairs of the appropriate substantive and fiscal committees of the Senate and the House of Representatives.

As part of our audit, we made inquiries of Department management and examined Department records for the 2020-21 and 2021-22 fiscal year Trust Fund reports to determine whether reported Trust Fund receipts and expenditures were accurate and adequately supported. Our audit procedures found that in both Trust Fund reports the Department reported both actual expenditures and encumbered[23] amounts as Trust Fund expenditures. Consequently, as illustrated in Table 1, the Department overstated actual Trust Fund expenditures in both annual reports.

Table 1
Comparison of Trust Fund Expenditures Reported to Actual
For the 2020-21 and 2021-22 Fiscal Years

	Fiscal Year	
	2020-21[a]	**2021-22[b]**
Total Reported Expenditures	$2,500,000	$2,500,000
Actual Expenditures Per Department Records	2,361,789	1,586,519
Total Amount Overstated	**$ 138,211**	**$ 913,481**

[a] Trust Fund appropriations totaled $2.7 million for the 2020-21 fiscal year.

[b] Trust Fund appropriations totaled $2.9 million for the 2021-22 fiscal year.

Source: Analysis of Department records.

In response to our audit inquiry, Department management indicated that encumbered amounts were included in addition to actual Trust Fund expenditures to show how the Department intended to spend Trust Fund appropriations and to demonstrate that the Department was fully utilizing Trust Fund appropriations. Notwithstanding, the inclusion of encumbered, but not expended funds, does not provide an accurate accounting of Trust Fund expenditures incurred during a reported fiscal year.

[21] Section 945.091(1)(b), Florida Statutes.

[22] Section 945.215(2)(e), Florida Statutes.

[23] Encumbered amounts, or encumbrances, are commitments related to unperformed contracts for goods or services. As such, they are contingent liabilities for which a true obligation has not yet occurred.

Recommendation: We recommend that Department management ensure that only actual expenditures incurred during a fiscal year are reported in the Trust Fund annual report and consider separately disclosing encumbered amounts to provide greater transparency.

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 April 2023 through March 2024 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 Corrections (Department) focused on incident reporting, maintenance requests, correctional officer timekeeping records, and the State-Operated Institutions Inmate Welfare Trust Fund (Trust Fund). For those areas, the 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 responsibilities in accordance with applicable laws, administrative rules, contracts, grant agreements, and other guidelines.
- Examine internal controls designed and placed into 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.
- 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 internal controls significant to our audit objectives; 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; identifying and evaluating internal controls significant to our audit objectives; 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, waste, 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 incident reporting, maintenance request, correctional officer timekeeping record, and Trust Fund processes and responsibilities.
- Inquired of Department management regarding whether the Department made any expenditures or entered into any contracts under the authority granted by an applicable state of emergency during the period July 2021 through March 2023.
- Obtained an understanding of selected Department information technology (IT) controls, assessed the risks related to those controls, evaluated whether selected general and application IT controls for the Asset Management System (AiMs) and the Telestaff system were in place, and tested the effectiveness of the selected controls.
- Interviewed Department and service organization personnel, examined Department records, and evaluated Department processes to determine whether the Department made or obtained an independent and periodic assessment of the design and operating effectiveness of service organization controls relevant to the Telestaff system.
- Interviewed Department personnel and examined Department records to determine whether Department controls promoted the retention of a complete list of incidents reported at each State-operated correctional institution during the period July 2021 through March 2023.
- From the population of 98,518 incidents reported and closed at 13 selected State-operated correctional institutions during the period July 2021 through March 2023, examined Department records for 101 selected incidents to assess the adequacy of Department incident reporting procedures, including whether incident report forms were timely completed, submitted, and reviewed in accordance with Department procedures.
- From the population of 6,239 use of force incidents reported and closed at 13 selected State-operated correctional institutions during the period July 2021 through March 2023, examined Department records for 80 selected incidents to determine whether use of force incident reports were timely completed, communicated, and reviewed in accordance with Department procedures and Department rules.
- From the population of 213,489 unscheduled absence reports at State-operated correctional institutions that were completed during the period July 2021 through March 2023, examined Department records for 40 selected reports to determine whether the unscheduled absences were appropriately documented, the Department timely and appropriately addressed unscheduled absences, and correctional officer unscheduled absences did not result in understaffed correctional institutions.
- From the population of 16,256 correctional officers with unscheduled absences reported in the Department's Telestaff system during the period July 2021 through March 2023, examined

Department records for 40 selected correctional officers to determine whether the unscheduled absences were appropriately documented, the Department periodically reviewed correctional officer leave usage, the Department timely and appropriately addressed unscheduled absences, and correctional officer unscheduled absences did not result in understaffed correctional institutions.

- Analyzed correctional officer sick leave, family sick leave, and leave without pay recorded in People First during the period July 2021 through March 2023 and evaluated the expectation that no more than 210 hours of sick leave and family sick leave, and no leave without pay, was used by correctional officers. Additionally, from the population of 2,086 correctional officers with more than 210 hours of sick leave and family sick leave and 3,859 correctional officers with more than 8 hours of leave without pay recorded during the period July 2021 through March 2023, examined Department records for 40 selected correctional officers (20 with more than 210 hours of sick and family sick leave and 20 with more than 8 hours of leave without pay) to determine whether the use of leave did not appear to be a pattern of absence indicative of abuse, did not appear to be for 3 or more consecutively scheduled work days, and that Department management took appropriate actions when necessary.
- From the population of 410,212 maintenance work orders approved and closed in AiMs during the period July 2021 through March 2023, examined Department records for 40 selected work orders to determine whether the work orders were managed, tracked, and completed in accordance with Department procedures.
- From the population of 7,870 maintenance work orders disapproved in AiMs during the period July 2021 through March 2023, examined Department records for 40 selected work orders to determine whether Department records evidenced the reason for disapproval in accordance with Department procedures.
- From the population of 50 State-operated correctional institutions in operation at some point during the period July 2021 through March 2023, examined Department records for 10 selected institutions to determine whether the Department managed, tracked, and completed preventative maintenance in accordance with Department procedures.
- Inquired of Department personnel and examined Department records to determine whether the Department maintained a complete list of approved and disapproved maintenance work orders at State-operated correctional institutions.
- From the population of 4,748 Trust Fund expenditures, totaling $3,831,440, incurred during the period July 2021 through March 2023, examined Department records for 40 selected expenditures, totaling $1,244,369, to determine whether the expenditures were in correct amounts, adequately documented, and allowable under Sections 945.215(2)(a) through (d) and 945.091(1)(b), Florida Statutes.
- Analyzed Department records related to the 4,952 Trust Fund expenditures, totaling $3,948,323, recorded in Department accounting records for the period July 2021 through April 2023 to determine whether the expenditures complied with Section 945.215(2)(a) and (c), Florida Statutes.
- Analyzed Department records related to Trust Fund revenues recorded in Department accounting records for the period July 2021 through April 2023 to determine whether deposits into the Trust Fund were from an allowable source, were timely and accurately recorded, did not exceed $2.5 million per fiscal year, and whether deposits exceeding $2.5 million were deposited into the General Revenue Fund in accordance with Section 945.215(2)(b), Florida Statutes.
- Interviewed Department personnel and examined Department records for the two Trust Fund annual reports submitted during the period July 2021 through March 2023 to determine whether the reports were compiled and submitted in accordance with Section 945.215(2)(e), Florida

Statutes, and whether the reported receipts and expenditures were accurate, complete, and appropriately supported.

- 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 CORRECTIONS

Governor
RON DESANTIS
Secretary
RICKY D. DIXON

501 South Calhoun Street, Tallahassee, FL 32399-2500

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June 19, 2024

Ms. Sherril F. Norman, CPA
Auditor General
G74 Claude Pepper Building
111 West Madison Street
Tallahassee, Florida 32399-1450

Dear Ms. Norman:

In accordance with Section 11.45(4)(d) Florida Statutes, I am enclosing the Department's response to the preliminary and tentative findings and recommendations contained in the audit of the Department of Corrections, Incident Reporting, Maintenance Requests, Correctional Officer Timekeeping Records, and the State-Operated Institutions Inmate Welfare Trust Fund. This response reflects the actions taken or contemplated to address the findings cited in your report.

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

Sincerely,

Ricky D. Dixon
Secretary

Enclosure

RESPONSE TO PRELIMINARY AND TENTATIVE AUDIT FINDINGS

AUDIT OF THE DEPARTMENT OF CORRECTIONS, INCIDENT REPORTING, MAINTENANCE REQUESTS, CORRECTIONAL OFFICER TIMEKEEPING RECORDS, AND THE STATE-OPERATED INSTITUTIONS INMATE WELFARE TRUST FUND

Finding 1: Department controls for the timely completion, submittal, and review of incident report forms at State correctional institutions need improvement. Additionally, the Department did not exercise appropriate accountability by centrally tracking all State correctional institution incidents or periodically reconcile incident report forms to incident logs to determine whether all incidents were accurately accounted for and appropriately handled.

Recommendation: Department management ensure that incident report forms are completed, submitted, and reviewed in accordance with established time frames. Department management centrally track all State correctional institution incidents and periodically reconcile incident report forms to incident logs to promote accountability over the handling of State correctional institution incidents and facilitate management's ability to identify patterns or trends in reported incidents.

Agency Response: *The Office of Institutions will remind institutional leadership of the need to follow the established timeframe requirements currently outlined in Procedure 602.008 Incident Reports-Institutions for the completion, submission, and review of incident reports. The Office of Institutions agrees with the recommendation to "...centrally track all State correctional institution incidents and periodically reconcile incident report forms to incident logs..." and will move in this direction as funding and resources allow.*

Finding 2: Use of force reports were not always timely provided to the Office of Inspector General (Office) for review and the Office did not always timely report to Wardens a determination as to whether the use of force complied with applicable laws, Department rules, and Department procedures.

Recommendation: Department management ensure that *Reports of Force Used*, including related support, are timely provided to the Office for review. The Office timely provide Wardens the determination as to whether the use of force applied complied with applicable laws, Department rules, and Department procedures.

Agency Response: *Regional and institutional leadership will be reminded of the established timeframes in F.A.C. Chapter 33-602.210 to forward a completed DC6-230, Report of Force Used packet to the Office of Inspector General within eleven (11) business days. Additionally, any requests for extensions shall require authorization from the respective regional director and the Inspector General; if the defined criteria are communicated, e.g., a staff member was injured in the use of force, or if major incidents occurring at the institution necessitate an extension, e.g., a riot or other major disturbance, natural disaster evacuation.*

The Office will ensure Wardens are provided timely determination that reported uses of force were found to comply with applicable law, Department rules or procedures no later than fourteen (14) business days from the date received or provide notice that an extension was granted which to the review the use of force prior to the expiration of the fourteen (14) business days.

Finding 3: Department controls over accounting for maintenance request costs and labor hours and documentation of reasons for request disapprovals need improvement.

Recommendation: Department management ensure that the costs and labor hours incurred to complete each work order and the reason for disapproving maintenance requests are recorded in Department records.

Agency Response: *We agree with the Finding 3 Recommendation and plan to implement the following measures to correct this item:*

- *Regional AIM staff member will conduct training with all Maintenance Superintendents to ensure they are including the costs and labor hours to complete each work order and also the reason for disapproving any maintenance requests that are submitted by staff. This item will be documented with a signed training attendance sheet.*

Finding 4: The Department did not take steps to reasonably ensure that service organization controls for the Telestaff system, an electronic roster management (scheduling) system for recording time and attendance at the correctional institutions, were suitably designed and operating effectively.

Recommendation: Department management make or obtain independent and periodic assessments of the design and operating effectiveness of the service organization's relevant Telestaff system internal controls.

Agency Response: *The Department will annually request an updated "service auditor's report" and have the appropriate Department personnel evaluate it to ensure Telestaff's internal controls are appropriately designed and are operating effectively.*

Finding 5: Department controls over user access to the Asset Management System (AiMs) and the Telestaff system need improvement to help prevent any improper or unauthorized use of access privileges.

Recommendation: Department management enhance IT user access privilege controls for AiMs and the Telestaff system to ensure that:

- Department records evidence the conduct of periodic reviews of the appropriateness of all assigned AiMs and Telestaff system user access privileges.
- A system-generated list of AiMs and Telestaff system user accounts and the dates user accounts are deactivated is maintained.
- AiMs and Telestaff system user access privileges are deactivated immediately upon a user's separation from Department employment.

Agency Response: *We agree with the Finding 5 Recommendations and plan to implement the following measures to correct these items:*

- *The Department will conduct periodic reviews (annually) to ensure that the appropriate staff have access to AIM.*

- *The Department will maintain a list of AIM and system user accounts with dates of activation and deactivation.*

- *The Department will add to the separation checklist an item that ensures that AIM access is deactivated.*

The Office of Institution will update Procedure 602.030 Security Staff Utilization to require the Chief of Security at an institution to conduct a quarterly review of Telestaff system user access privileges to ensure they are appropriately assigned and document the review by sending a memorandum to the Warden. Additionally, the procedure will be updated to require the Department's Roster Management System Administrator to conduct a quarterly review to ensure that institutional "high-level staffers" and central office "view-only staffers" Telestaff system user access privileges are appropriately assigned and document this review by sending a memorandum to the Bureau Chief of Security Operations.

Due to Telestaff system limitations, we cannot maintain a system-generated list of Telestaff system user accounts and the dates user accounts are deactivated. However, the Office of Institutions will continue to work with UKG Telestaff system developers in an effort to build this capability.

The Department is transitioning to Workforce Pro-Management and Telestaff, which will operate through the Department's active directory and provide "single sign-on" functionality. When an employee separates from the Department and their active directory access privileges are removed, they will be unable to access Telestaff.

Finding 6: Certain security controls related to user authentication need improvement to ensure the confidentiality, integrity, and availability of AiMs data and Department information technology resources.

Recommendation: Department management improve certain security controls related to user authentication to ensure the confidentiality, integrity, and availability of AiMs data and Department IT resources.

Agency Response: *We agree with the Finding 6 Recommendation and plan to implement the following measures to correct this item:*

- *The Department will work with our Information Technology Division to improve security controls related to user authentication to ensure better confidentiality and integrity of the AIM system and data.*

Finding 7: The Department reported encumbered amounts as actual expenditures in State-Operated Institutions Inmate Welfare Trust Fund annual reports.

Recommendation: Department management ensure that only actual expenditures incurred during a fiscal year are reported in the Trust Fund annual report and consider separately disclosing encumbered amounts to provide greater transparency.

Agency Response: *The Office of Financial Management agrees with the recommendation to report actual expenditures incurred during a fiscal year and to disclose the certified expenditures and encumbrances associated with that fiscal year's appropriation separately, beginning with the FY 23-24 report.*