



Office of the Inspector General Annual Report

For Fiscal Year 2006-07
September 30, 2007

James R. McDonough, Secretary
Florida Department of Corrections

Charlie Crist
Governor

Executive Summary

Agency Background

As the nation's third-largest prison system, the Florida Department of Corrections fulfills a primary responsibility for public safety in Florida. Through a network of 59 major prisons and 76 work camps and community-based facilities, the department manages incarceration and care for 93,000 inmates. An additional 153,000 felony offenders are supervised through 143 probation offices statewide. The agency's 27,000 employees carry out this public safety mandate 24 hours a day, 365 days a year. The agency's annual operating budget is \$2.2 billion.

Purpose of the Annual Report

This report, required by the Inspector General Act of 1994, summarizes the activities and accomplishments of the Florida Department of Corrections, Office of the Inspector General, during fiscal year 2006-07.

Section 20.055, Florida Statutes, defines the duties and responsibilities of each Inspector General with respect to the state agency in which the office exists. The statute requires that the Inspector General submit an annual report of activities during the preceding fiscal year to the agency head.

This report provides departmental staff and other interested parties with an overview of the Office of the Inspector General's activities related to its mission as defined by Florida Law.

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Introduction

Organization/Duties

The Office of the Inspector General and its two bureaus, State Investigations and Internal Audit, perform the following functions:

1. Conduct investigations, audits, and reviews relating to the staff, programs, contracts and operations of the department.
2. Inform the Secretary of fraud, abuse, and deficiencies relating to programs and operations administered by the department; recommend corrective action; and report on progress made in implementing corrective action.
3. Advise in the development of performance measures and standards for the evaluation of agency programs.
4. Operate the contraband interdiction and inmate drug testing programs.
5. Coordinate department activities required by the Whistle-blower's Act and Get Lean Hot-Line program.
6. Provide effective coordination and cooperation with the Auditor General, OPPAGA, and the Florida Department of Law Enforcement.
7. As a member of the Governor's Council on Integrity and Efficiency (GCIE), share ideas with other inspectors general for improving the IG function and coordinating activities that cross agency lines.

Vision: Enhancing Public Trust in Government.

Mission: Provide leadership in the promotion of accountability and integrity of State Government.

Goal: Add value to organization.

1. Providing timely and useful information to decision makers;
2. Identifying state-wide risks and issues;
3. Surveying stakeholders - senior management and others - to determine satisfaction and needs; and
4. Improving systems of internal control to help assure the integrity - accuracy and compliance - of information used by decision makers.

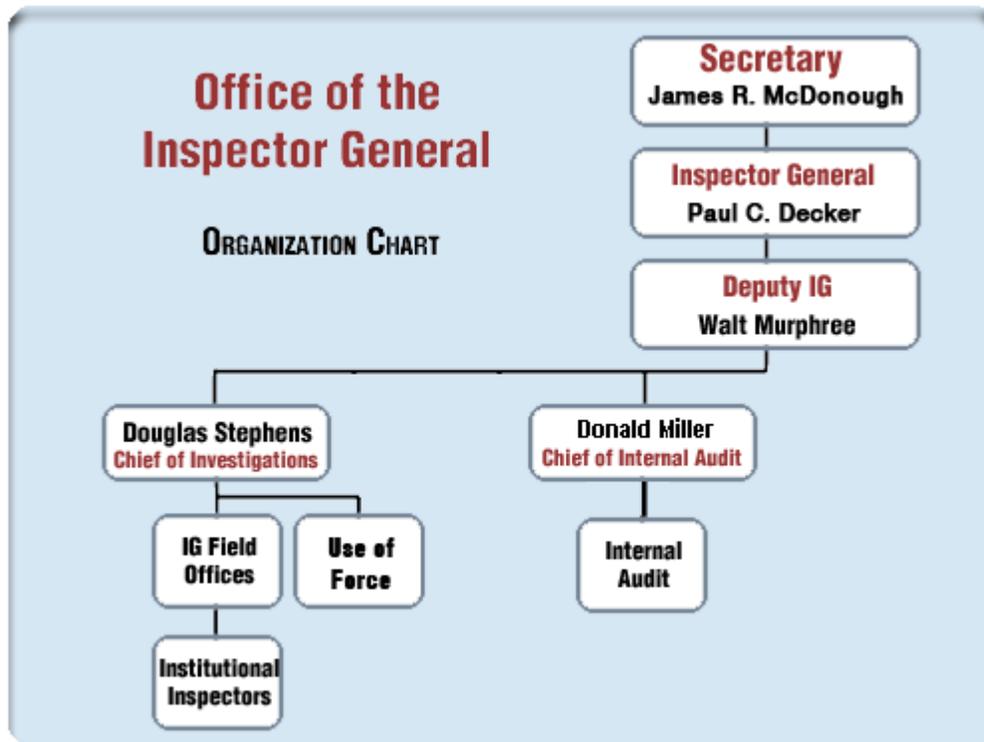
Specific Areas of Responsibility

To meet the growing needs of a rapidly expanding Department of Corrections, the Office of the Inspector General has had to maximize the efficient use of its

resources by addressing those matters of greatest concern and vulnerability to fraud and abuse. Specific functions and the benefits they provide are as follows:

1. Manage a statewide computerized management information network and coordinate this activity with designated key managers.
 - Provide a daily incident/event reporting system from all areas of the department, enabling early identification of problems and timely allocation of investigative resources.
 - Collect statewide data for use by key correctional managers in developing strategies to address problems.
 - Provide for the systematic and coordinated flow of information to the Public Information Office regarding issues of importance to the public and the department.
 - Provide leadership in the department's effort to maintain a strong, formal, cooperative working relationship with the Department of Law Enforcement and other law enforcement and investigative agencies.
2. Conduct criminal and administrative investigations in state correctional facilities.
 - Conduct criminal investigations of felonies in state correctional facilities and coordinate those activities with other law enforcement and investigative agencies including prosecution through State Attorneys offices.
 - Conduct administrative investigations into improper practices, misconduct on the part of staff and/or offenders in state correctional facilities, and coordinating these investigations with appropriate departmental staff.
 - Provide for timely intervention in areas of identified concern to reduce the potential for escalation of situations such as staff disputes and inmate escapes.
3. Assist the Office of Institutions in providing a safer environment for employees, inmates, and visitors by deterring the introduction of contraband at state correctional facilities.
 - Maintain an automated tracking system for contraband seized within state correctional facilities.
 - Conduct unannounced interdiction operations.
 - Review contraband control procedures at state correctional facilities for compliance with department policy and procedure.
4. Conducts audits and reviews to determine the efficiency and effectiveness of management controls and programs to assess compliance with department procedures and deter fraud and abuse.
 - Conduct compliance and performance audits in accordance with professional standards.
 - Evaluate the effectiveness of FDC's management of contracts, report findings and recommend steps to correct deficiencies.

- Assist with investigations involving fraud, waste, or misappropriation of funds.
- Serve as the department's liaison with the Office of the Auditor General and the Office of Program Policy Analysis and Government Accountability on all audits and performance reviews completed by those offices.





Bureau of State Investigations

The Bureau of State Investigations is responsible for conducting criminal, administrative and internal affairs investigations. The Bureau also coordinates the agency's Get Lean Hot-Line activity, inmate drug testing program, contraband interdiction program, "Prison Tips" program, and serves as the final reviewing authority for all "use-of-force" incidents.

Investigations

When completed, criminal investigations are referred to the appropriate State Attorney's Office for prosecution. Administrative and internal affairs investigations are referred to management for appropriate follow-up action.

During the 2006-07 fiscal year, 26,645 incidents were reported to the Inspector General's Office. Those incidents were classified in the following categories:

Legend	Classification of Incident	Number
CAS	Complaints Against Staff	8,147
IID	Inmate Injuries or Death	3,319
CPV	Crimes vs. Persons (Violent)	4,734
CPN	Crimes vs. Persons - Property (Non-Violent)	685
EAS	Escape / Attempted Escape	357
RPC	Recovery/Possession of Contraband	2,906
EMA	Employee Arrests	310
OTH	Other	6,187
TOTAL		26,645

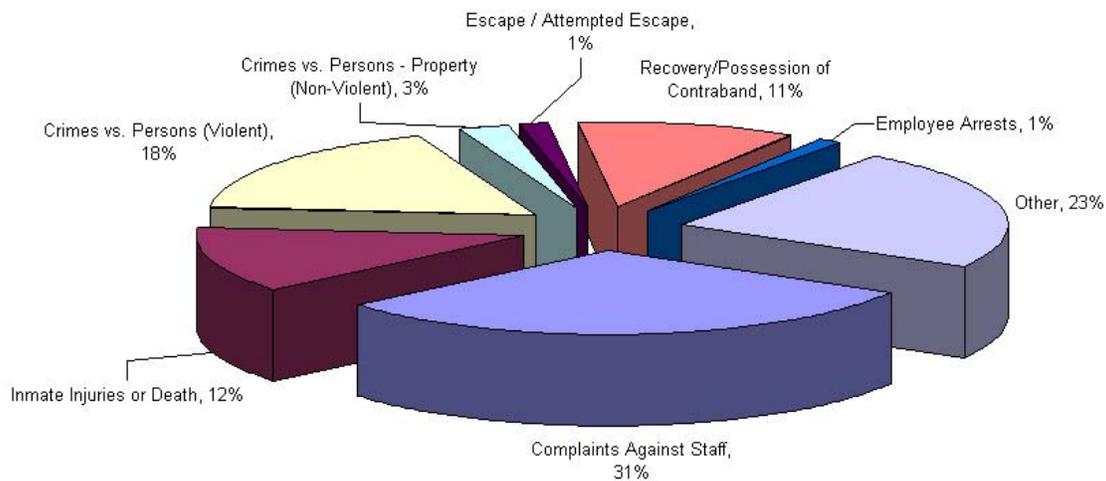
Of these 26,645 incidents, 4,696 official investigations were assigned as indicated by the chart below.

Field Office	Senior Inspectors	Institutional Inspectors	Total
Tallahassee	404	681	1,085

Gainesville	654	973	1,627
Orlando	292	330	622
Ft. Lauderdale	215	353	568
Tampa	390	404	794
TOTAL	1,955	2,741	4,696

Of the 4,696 investigations assigned, 211 were forwarded to State Attorney's Offices throughout Florida for possible criminal prosecution.

Classification of Incidents FY 2006-07



Investigation Highlights

As illustrated by the "Classification of Incident" chart above, the majority of reported incidents involved:

- Complaints against staff, which include improper conduct, alleged excessive use of force, and staff/offender relationships. (31%)
- Crimes vs. persons (violent), which include battery on a law enforcement officer, battery on another inmate, sexual battery, and possession of a weapon. (18%)
- Inmate injuries or deaths, which included suicide, suicide attempts, homicides, natural deaths, accidental deaths and injuries. (12%)
- Recovery and possession of contraband. (11%)

Use of Force

Established in 1999, the unit is charged with reviewing all incidents of physical force at state correctional facilities to ensure compliance with established rules, procedures and

statutes.

To accomplish this mission, the unit independently reviews and evaluates all force incident reports, associated documents and videotapes from each correctional facility or office. Evidence indicating possible procedural violations, inmate abuse, excessive/improper/ unauthorized force, or battery by staff is referred to the Bureau of State Investigations and an internal investigation is conducted.

The use of force database has been enhanced to automatically notify management of employee involvement in multiple use-of-force incidents. Recent database advances also facilitate more detailed trend analysis and classification of incidents by type. Uses-of-force are classified as major incidents whenever the chemical agent CS or Electronic Restraint Devices are used, and/or whenever outside medical treatment is required for employees or inmates as a result of the incident of force.

The following chart categorizes all incidents reported to the Use of Force Unit from July 1, 2006 through June 30, 2007.

Classification	Reason Force Was Used	Number
27A	Self Defense	570
27B	Escape/Recapture	7
27C	Prevent Escape During Transport	3
27D	Prevent Property Damage	9
27E	Quell A Disturbance	1,012
27F	Physical Resistance to a Lawful Command	1,252
27G	Prevent Suicide	164
27H	Restrain Inmate for Medical Treatment	96
27I	Cell Extraction	153
27J	Mental Health Restraint	191
27K	P & P Handcuffing	0
TOTAL		3,457

Corrections Intelligence Unit

The Corrections Intelligence Unit collects, analyzes, and disseminates data and investigative information to assist and support the Inspector General's Office and Department of Corrections. It also researches and compiles data in response to law enforcement and Homeland Security issues, and works closely with other agencies.

Contraband Interdiction Unit

The Contraband Interdiction Unit, established in 1993, provides a safer environment for employees, inmates and visitors at state correctional facilities by detecting and discouraging the introduction of contraband -- in particular illegal narcotics.

The unit conducts unannounced contraband interdictions and searches using inspectors and certified Narcotic Canine Teams. During the often weekend-long interdictions, employees, visitors, volunteers, inmates, vehicles and facility grounds are searched for contraband. Individuals also are subject to inspection using a chemical detection device which employs advanced "Ion Mobility Spectrometry" technology to detect traces of illegal drugs. Random interdiction operations and canine sweeps are conducted at all agency facilities.

Narcotic Canine Teams

The Drug Detection Canine Unit consists of nine full-time canine teams with specially equipped vehicles, located strategically around the state. Working in conjunction with the Inspector General's Contraband Interdiction Unit, the teams participate in contraband interdictions and targeted searches at Department of Correction prisons and other facilities. The canine teams also work closely with institutional inspectors and provide investigative support.

The chart below summarizes the arrests and seizures generated by interdiction operations statewide during Fiscal Year 2006-07:

Interdiction Arrests/Seizures	FY 06-07
Arrests:	
Employees	1
Visitors	8
Inmates	0
Seizures:	
Alcohol (gallons)	
commercial	19.71
homemade	6.66
Drugs (grams)	
marijuana	181.7
cocaine	82.5
other (gram)	1.8
prescription/arrest (each)	26
Weapons	
commerical sharps	39
homemade sharps	11
blunt instruments	0
firearms (in vehicles)	44
ammunition (in vehicles)	6,217
Cash	\$41,962
Ionscans:	
Employees	3,196
Visitors	3,625
Inmates	65
Total Ionscans	6,886

Inmate Drug Testing Program

The Inmate Drug Testing Program manages inmate selection, testing procedures, and results analysis for inmate drug tests statewide. This responsibility also encompasses ordering testing supplies, training officers to perform the tests, and program audits.

The following chart describes test results for Fiscal Year 2006-07:

Inmate Drug Test Conducted during FY 2006-07						
Reason for Test	Total Selected	Not Tested	Valid Tests	Negative Tests	Positive Tests	Percent Positive
Random	54,455	872	53,118	52,282	836	1.57%
For Cause	6,858	8	6,649	5,318	1,331	20.02%
Drug Treatment Program (SAP)	41,481	711	40,722	40,654	68	0.17%
TOTAL	102,794	1,591	100,489	98,254	2,235	2.22%

Prison Tips

The Bureau oversees the "Prison Tips" program, which collects criminal intelligence on unsolved or ongoing criminal activity, both inside and outside the department, from inmates, probationers, and other persons who may have knowledge of this type of activity. "Prison Tips" offers an anonymous method to provide this information.

The "Tips" line can be accessed from inmate phones within all department facilities, or by a toll-free number, 1-866-599-1778, from phones outside the facilities. Calls are monitored by the Office of the Inspector General. Information provided by callers is reviewed and forwarded to appropriate Department staff or the law enforcement agency having jurisdiction over the reported activity.

Callers have the option of establishing a voice mailbox, accessed by a unique pass code, to receive feedback from the Inspector General's Office on the status of the information they provide. This also provides a secure mechanism for communicating with the individual if they become eligible for a cash reward offered by law enforcement.

Get Lean Hot-Line

The bureau coordinates department responses to suggestions and complaints received via the Comptroller's Get Lean Hot-Line. During FY 2006-07, the bureau received three complaints alleging staff misconduct. Two complaints were dismissed and the third remains under review.



Bureau of Internal Audit

Mission

The mission of the Bureau of Internal Audit is to assist the Secretary and the Department in ensuring that: (1) agency goals are met; (2) all resources are used consistent with laws, regulations, and policies; (3) all resources are safeguarded against waste, loss, and misuse; and (4) reliable data is obtained, maintained, and fully disclosed.

Goals

Our primary purpose is to take a proactive approach in meeting our agency's needs and protecting its resources. Toward that end, we have established four key goals:

- Provide quality audits, reviews, studies, and investigations
- Report results to management in a timely manner
- Use agency resources efficiently; and
- Provide adequate audit/review coverage to mitigate risks.

Bureau Organization and Responsibilities

The Bureau of Internal Audit is comprised of three sections: (1) Audit, (2) Information Technology and (3) Contract Review reporting to the Bureau Chief who functions as the Director of Auditing. The Director of Auditing is a Certified Public Accountant (CPA). The Bureau conducts compliance, performance and information technology audits and contract reviews per Section 20.055 Florida Statutes. The audits are conducted in accordance with the current *International Standards for the Professional Practice of Internal Auditing* published by the Institute of Internal Auditors.

Compliance/Performance Audit Section

The Audit Section employs an Audit Supervisor and six (6) auditors. Staff includes a Certified Internal Auditor (CIA) and a Certified Fraud Examiner (CFE). During FY 2006-07, the Audit Section completed 7 audits, 5 follow-up audits and 7 reviews. The reports issued are summarized in the chart below:

FY 2006-07 Audit Section		
Report Number	Project Title	Report Issue Date
R06018F	Salary Overpayment/Underpayment	7/17/2006
R06019F	Healthcare – Co-Payments by Inmates	7/18/2006
R07004	Risk – Florida Kids Computer Program	7/21/2006
A06021	Employee Club – Lancaster CI	7/27/2006
A05010	Entering/Exiting DC Facilities	8/14/2006
A06015	DC Recycling Program	8/31/2006
R07008	Employee Club – Okaloosa CI	10/27/2006
A07002	LABCORP Contract	12/15/2006
A07001	Vending Services Contracts	1/8/2007
R07006	ARAMARK – Analysis of Per Diem Costs	1/10/2007
A07012F	Entering/Exiting DC Facilities Follow-up	3/7/2007
A07003	Tool and Sensitive Item Control	3/7/2007
A07015F	OPPAGA Report 06-37 Follow-up	3/15/2007
A07013F	DC Recycling Program Follow-up	3/16/2007
R07017	Review of Staff Housing	3/26/2007
R07019	Operational Review – Hendry CI	4/13/2007
A07005	DC Water/Waste Water Contracts	4/24/2007
A07009	Jacksonville Memorial Hospital Contract	5/7/2007
R07014	Quality Assurance Review – Internal Audit	6/20/2007

IT Audit Section

The Information Technology Section employs one Audit Supervisor. This individual is a Certified Information Systems Auditor (CISA). This is a newly created section which will conduct IT audits/reviews.

Contract Management Review Section

The Contract Review Section (CMR) employs an Audit Supervisor and two (2) auditors. Staff includes a CIA and a Certified Government Audit Professional (CGAP). During FY 2006-07, the Contract Management Review Section completed 6 contract reviews and 3 follow-up reviews. The reports issued are summarized in the chart below:

FY 2006-07 Contract Management Review Section		
Report Number	Project Title	Report Issue Date
CMR06001	MCI Contract	7/24/2006
CMR06002	Prison Health Services Contract (PHS)Taylor CI	10/18/2006

CMR06003	Dr. Schlofman Contract	10/18/2006
CMR07001	Bridges of America Contract – St. Petersburg	1/7/2007
CMR07002	Bridges of America Contract – Polk	3/29/2007
CMR07004F	MCI Contract Follow-up	4/4/2007
CMR07008F	PHS Contract Follow-up – Taylor CI	5/19/2007
CMR07009F	Dr. Schlofman Contract Follow-up	5/19/2007
CMR07003	Non-Secure Inc. Contract – Orlando PRC	6/25/2007

Selected Bureau Reports With System-Wide Impact

The Bureau views its audit/contract review mandate as an opportunity to not only identify site specific deficiencies and problems with a statewide impact, but also to identify areas that are well designed and are meeting management's goals. Three of the reports with statewide impact conducted by the Bureau of Internal Audit this fiscal year included:

Vending Services Contracts

Our audit indicated that the contractors are generally in compliance with the terms and conditions of the contract. The issues of non-compliance identified during the audit appear to be systemic deficiencies that were previously identified by staff in DC's Bureau of Institutional Support Services during their contract monitoring process. We identified issues regarding DC's lack of internal controls to verify the accuracy and completeness of commission revenues and the Bureau of Institutional Support Services' inability to perform follow-up monitoring due to the limited number of personnel resources. These issues warrant management's attention and allow us to provide recommendations to improve the effectiveness and efficiency of the contracts.

ARAMARK – Analysis of Per Diem Costs

We conducted this analysis as part of our continuing efforts to identify "problem-opportunity" issues within the Florida Department of Corrections (Department) operational matrix and bring them to management's attention.

Aramark Contract C1927 was selected for review based on its high dollar amount (\$71 million annually) and numerous irregularities brought to our attention involving its operations. When we started the review, we found that most documents related to food service performance prior to 2004 had been purged from Department files; however, during our examination of archives related to the initial 2001 Request for Proposal (RFP), we uncovered documentation that provides a baseline for performance comparisons and conclusions. By comparing that baseline to the results of the contract manager's recent reviews of Aramark's performance, we were able to identify two critical issues worthy of management's attention. They are:

1. Feed rates have declined sharply since the contract's inception in 2001, creating a windfall for the vendor and reducing the value of the

services provided without a proportionate decrease in per diem rates charged to the Department.

2. During the first 24 months following the contract's inception, the food service master menu was changed repeatedly, allowing the vendor to substitute less costly meat products such as ground turkey for previously required beef products. This cut the vendor's production costs with no proportionate decrease in per diem rates charged to the Department.

These two dynamic changes in the cost/value balance of the contract suggest that the Department's needs would be better served either by modifying and re-bidding the contract to address the above issues, or by restoring food service as an in-house operation.

MCI Inmate Telephone System (ITS) Contract Review

Although identifying several issues requiring management's attention, we determined that overall, MCI has provided an effective ITS which meets the operational and fiscal specifications enumerated in the contract.

We also identified an alternative to the existing collect-call only ITS that could provide cost savings to inmate family and friends and yield adequate revenue to DC and the contractor.

To reduce the cost to inmate families and friends and take advantage of current technology, DC should consider offering an ITS that allows prepaid/debit and collect call capabilities. Rates for prepaid calls are significantly less than a collect call because these calls can eliminate both the surcharge cost and the risk of uncollectible or bad debt to the telephone provider. Currently, telephone provider contracts with the Departments of Corrections in Virginia, Ohio and Missouri offer prepaid discounts ranging from 10 to 20 per cent of the normal collect call rate. It is highly probable that the reduction in cost to the call recipients will cause an increase in the volume of calls made which could increase the net revenue to DC.

Prepaid calls offer a win/win situation for all parties involved. It provides a reduction in cost to inmates and their family and friends, eliminates bad debt to the telephone provider and continues to provide revenue to DC without compromising security. In addition to offering prepaid calls, DC could increase the inmate telephone call list from 10 individuals to 15 individuals and extend calls longer than the now 15 minutes.

We also identified five significant issues in contract performance and oversight which we feel warrant management's attention. They are as follows:

Finding No. 1: Operations Contract Managers did not monitor and document contractor performance.

Finding No. 2: Management neglected to assess \$722,000 in liquidated

damages for MCI's failure to complete routine service repairs within 24-hour time limits.

Finding No. 3: New inmate PIN numbers are not being processed and activated timely.

Finding No. 4: MCI's CPA firm's methodology in testing for reliability of the ITS has weaknesses in that the same telephone numbers have been called since the inception of the contract in 2001.

Finding No. 5: MCI has not provided proof of required performance guarantee.



Other Activities

Governor's Council on Integrity and Efficiency

The Inspector General is an active member and attends the regularly scheduled meetings of Florida's inspectors general. Open communication among the Inspectors General and the Chief IG continues to enhance the effectiveness of the IG community.

Professional Audit Organizations

The Bureau of Internal Audit participates in several professional organizations, including the Audit Director's Roundtable, [Institute of Internal Auditors](#), [Information Systems Audit and Control Association](#), [Florida Audit Forum](#) and the [Association of Certified Fraud Examiners](#). These organizations promote progress and professionalism in the field through sharing of ideas and best practices.

Investigators' Roundtable

The Investigators' Roundtable brings together directors of investigative units of the Inspector Generals' offices for each agency to identify best practices and discuss common issues. These meetings promote progress through the sharing of ideas and best practices among state agencies.