

DEPARTMENT OF ELDER AFFAIRS

**STATE LONG-TERM CARE
OMBUDSMAN PROGRAM AND
SELECTED ADMINISTRATIVE ACTIVITIES**

Operational Audit



SECRETARY OF THE DEPARTMENT OF ELDER AFFAIRS

Section 20.41, Florida Statutes, creates the Department of Elder Affairs. The head of the Department is the Secretary of Elder Affairs who is appointed by the Governor and subject to confirmation by the Senate. Charles T. Corley served as Secretary during the period of our audit.

The audit team leader was Yuch-Lin DeGrove, CPA, and the audit was supervised by Karen Van Amburg, CPA. Please address inquiries regarding this report to Lisa Norman, CPA, Audit Manager, by e-mail at lisanorman@aud.state.fl.us or by telephone at (850) 412-2831.

This report and other reports prepared by the Auditor General can be obtained on our Web site at www.myflorida.com/audgen; by telephone at (850) 412-2722; or by mail at G74 Claude Pepper Building, 111 West Madison Street, Tallahassee, Florida 32399-1450.

DEPARTMENT OF ELDER AFFAIRS

State Long-Term Care Ombudsman Program and Selected Administrative Activities

SUMMARY

This operational audit of the Department of Elder Affairs (Department) focused on Department activities and functions related to the State Long-Term Care Ombudsman Program (SLTCOP) and selected administrative activities. The audit also included a follow-up on the findings noted in our report No. 2012-135. Our audit disclosed the following:

STATE LONG-TERM CARE OMBUDSMAN PROGRAM

Finding No. 1: The Office of the State Long-Term Care Ombudsman (SLTCO) did not always document that complaint investigations were conducted in accordance with Department rules and SLTCOP policies and procedures and that information recorded in the LTCOP (Long-Term Care Ombudsman Program) system was accurate.

Finding No. 2: Our analysis of data recorded in the LTCOP system indicated that the SLTCO did not always timely record, initiate, review, and close complaint cases.

Finding No. 3: SLTCO management did not always ensure that ombudsmen were subject to level 2 background screenings and completed required training.

Finding No. 4: Controls over access to the LTCOP system need improvement.

Finding No. 5: LTCOP system change management controls need improvement.

Finding No. 6: LTCOP system data processing controls need improvement to provide for the proper accounting for and processing of complaints received.

Finding No. 7: SLTCO management did not ensure that all required quarterly reports were prepared and published, or that all required information was accurately included in the quarterly and annual reports and adequately supported by SLTCOP records.

Finding No. 8: Department and SLTCO controls did not always ensure that, prior to payment, travel expenditures were necessary and reasonable for the administration of the SLTCOP, sufficient documentation was available to support SLTCOP-related travel expenditures, and travel reimbursement voucher forms were correctly and timely completed, submitted, and approved.

SELECTED ADMINISTRATIVE ACTIVITIES

Finding No. 9: As similarly noted in prior reports, most recently in our report No. 2012-135, the Department did not always timely deactivate Client Information and Registration Tracking System (CIRTS) and related network access privileges upon an employee's separation from Department employment.

Finding No. 10: As similarly noted in prior reports, most recently in our report No. 2012-135, certain security controls designed to protect CIRTS data and Department IT resources need improvement.

Finding No. 11: User authentication controls over access to the Department network need improvement.

Finding No. 12: Department controls over employee access to the Florida Online Accounting Information Resource Subsystem (FLAIR) need improvement.

Finding No. 13: The Department had not established policies and procedures for the collection and use of social security numbers or evaluated its collection and use of social security numbers to ensure and demonstrate compliance with State law.

BACKGROUND

State law¹ designates the Department of Elder Affairs (Department) as the primary State agency responsible for administering human services programs for the elderly and for developing policy recommendations for long-term care. The Department provides most of its services through the Division of Statewide Community-Based Services, which works through Area Agencies on Aging and local service providers to deliver services to the elder population. The Department also directly administers a wide range of programs, including the State Long-Term Care Ombudsman Program (SLTCOP) and the Comprehensive Assessment and Review for Long-Term Care Services Program.

FINDINGS AND RECOMMENDATIONS

State Long-Term Care Ombudsman Program

Federal law² provides that to receive Federal Older Americans Act funding, states must establish and operate an Office of State Long-Term Care Ombudsman to carry out the SLTCOP. Accordingly, State law³ establishes the Office of State Long-Term Care Ombudsman (SLTCO) in the Department to administer the SLTCOP. The SLTCO is headed by a State Ombudsman who is appointed by the Department Secretary. The duties and responsibilities of the State Ombudsman mostly relate to residents of long-term care facilities and include:

- Identifying, investigating, and resolving complaints made by or on behalf of the residents.
- Providing services that assist in protecting the residents’ health, safety, welfare, and rights.
- Informing residents, their representatives, and citizens about obtaining SLTCOP services.
- Ensuring that residents have regular and timely access to the SLTCOP services and that residents and complainants receive timely responses from SLTCO representatives.
- Representing the interests of residents before governmental agencies and seeking administrative, legal, and other remedies to protect the residents’ health, safety, welfare, and rights.
- Analyzing, commenting on, and monitoring the development and implementation of Federal, State, and local laws, rules, and regulations, and other governmental policies and actions, that pertain to the residents’ health, safety, welfare, and rights.
- Providing technical support for the development of resident and family councils to protect the well-being and rights of residents.
- Administering the State and local councils.

The SLTCO was organized into the Central Office in Tallahassee and three regional offices and 13 district offices located throughout the State. Within each district, the District Ombudsman Manager was responsible for the overall operation of the local district office, including recruiting and training new ombudsmen and providing continuing support to ombudsmen. Ombudsmen were responsible for investigating complaints received by the SLTCO and for conducting annual assessments on all long-term care facilities.

The SLTCO utilized the Long-Term Care Ombudsman Program (LTCOP) system to document complaints from, or made on behalf of, residents of long-term care facilities. The LTCOP system stores information about programs,

¹ Section 430.03(1), Florida Statutes.

² Title VII, Chapter 2, Section 712(a)(1), Older Americans Act of 1965, as amended in 2006.

³ Sections 400.061 and 400.0063, Florida Statutes.

activities, staff, and volunteers, as well as generates required State and Federal reports. During the period July 2012 through December 2013, the SLTCO reported that its 350 volunteer ombudsmen and 40 Department employee ombudsmen closed 4,456 complaint cases. During the same period, the Department expended approximately \$4.2 million for the SLTCOP, of which approximately 55 percent was funded from Federal sources,⁴ with the remaining approximately 45 percent funded from State sources.

SLTCOP policies and procedures⁵ required that, upon receipt of a complaint, the District Ombudsman Manager or district staff were to complete a complaint case intake form and enter the complaint into the LTCOP system. The District Ombudsman Manager would assign the case to an ombudsman for investigation. Department rules⁶ specified that an investigation was considered to be initiated when an ombudsman made contact with the complainant or resident and required that ombudsmen initiate an investigation no later than 7 calendar days after the complaint was received. If an investigation was not initiated within 7 calendar days, SLTCOP policies and procedures specified that the ombudsman was to include a note in the case record explaining the reason for the delay.

At the conclusion of an investigation, Department rules⁷ required the ombudsman to complete a case investigation form, inform the resident or representative of the preliminary disposition, conduct an exit interview with the facility administrator, and send the case investigation form and documentation to the District Ombudsman Manager within 14 calendar days after the exit interview. Upon receipt, the District Ombudsman Manager or other district staff were to perform a quality assurance (QA) review of the completed case investigation form and related documentation for completeness and accuracy, utilizing a Case Investigation QA Checklist (checklist). After the QA review was complete, the District Ombudsman Manager or district staff were to enter the case information into the LTCOP system.

A case was deemed to be closed when the District Ombudsman Manager or district staff had completed the QA review and the District Ombudsman Manager had approved the investigation documentation. Within 14 calendar days of case closure, the District Ombudsman Manager was required, by Department rules,⁸ to submit a written summary of the case disposition to the facility and the resident, or the resident's representative, using a letter generated from the LTCOP system. Department rules⁹ also required that an investigation be closed within 90 calendar days after receiving a complaint, unless additional time was requested by the ombudsman and granted by the District Ombudsman Manager or designee. SLTCOP policies and procedures required District offices to maintain a completed checklist, case investigation form, and a copy of the case disposition letter in the complaint investigation files to document the case.

Finding No. 1: Complaint Investigation Records

As part of our audit, we examined Department records related to 60 complaint cases closed during the period July 2012 through December 2013. Our examination of the complaint case records included an evaluation of the data recorded in the LTCOP system and documentation from the investigation files maintained by the district offices, to

⁴ Sources of Federal funds included the Special Programs for the Aging - Title VII, Chapter 2 - Care Ombudsman Services for Older Individuals, State Grants for Long-Term Care Ombudsman Services (Catalog of Federal Domestic Assistance (CFDA) No. 93.042); and Special Programs for the Aging - Title III, Part B - Grants for Supportive Services and Senior Centers (CFDA No. 93.044).

⁵ Long-Term Care Ombudsman Program District Ombudsman Manager Operations Manual, Chapter 4, Section F – *Complaint Investigations*.

⁶ Department Rule 58L-1.007(2)(a), Florida Administrative Code.

⁷ Department Rule 58L-1.007(2)(e), Florida Administrative Code.

⁸ Department Rule 58L-1.007(2)(f)1., Florida Administrative Code.

⁹ Department Rule 58L-1.007(2)(d), Florida Administrative Code.

determine whether the cases were appropriately documented and properly recorded in the LTCOP system. Our audit procedures disclosed that the district offices did not always follow established procedures for preparing and maintaining complete investigation documentation and files and for ensuring that information recorded in the LTCOP system was supported by investigation records. Specifically, we noted that one or more items of required information or documentation were not available in the case records tested and that case record information was not always consistent or accurate. Regarding the 60 complaint case records we examined:

- The SLTCO could not provide documentation for 27 cases that demonstrated that a letter summarizing the case disposition had been sent to the resident or facility.
- The SLTCO could not provide documentation for 26 cases that demonstrated that the ombudsman had conducted an exit interview with the facility administrator.
- The case notes on the investigation form for 7 cases did not indicate whether the resident or his or her representative was informed of the preliminary disposition and no other case investigation records demonstrated that such communications had been made.
- The date the District Ombudsman Manager received the completed investigation documentation for 28 cases was not documented.
- The completion dates recorded in the LTCOP system for 3 cases differed from the dates recorded on the case investigation forms. For these 3 cases, the dates recorded in the LTCOP system were 1, 46, and 98 days after the dates recorded on the case investigation forms. For 1 of the 3 cases, the closed date was also not properly recorded in the LTCOP system. While the date in the LTCOP system showed this case as closed on November 8, 2013, the case investigation form indicated that the District Ombudsman Manager did not complete the QA review until November 22, 2013.

In addition, our audit procedures disclosed that the checklist used to document the QA review did not contain a field for the District Ombudsman Manager to indicate whether the ombudsman's conduct of an exit interview with the facility administrator had been verified, or whether the ombudsman had sent the case investigation form and documentation to the District Ombudsman Manager within 14 calendar days after the exit interview.

Absent complete and accurate records of a case investigation, the SLTCO may be limited in its ability to demonstrate that complaints were appropriately investigated, that parties were timely and appropriately notified of investigation results and dispositions, and that the information recorded in the LTCOP system was accurate and complete.

Recommendation: We recommend that SLTCO management ensure that sufficient documentation is maintained to support the conduct of complaint investigations in accordance with Department rules and SLTCOP policies and procedures and that SLTCO management ensure that case information is accurately recorded in the LTCOP system. We also recommend that SLTCO management amend the Case Investigation QA Checklist to incorporate a field to denote verification of the ombudsman's conduct of an exit interview with the facility administrator and to demonstrate that the case investigation form and documentation was submitted to the District Ombudsman Manager within 14 calendar days of the exit interview.

Finding No. 2: Timeliness of Complaint Investigations

We evaluated SLTCOP policies and procedures related to the receipt and investigation of complaints and, to assess whether complaints were being timely investigated and resolved, analyzed LTCOP system data for 4,080 cases initiated for complaints received during the period July 2012 through December 2013. The 4,080 cases included, as of December 31, 2013, 279 open cases and 3,801 closed cases. Our analysis disclosed that SLTCOP procedures were

not adequate to ensure that complaints were always timely investigated or that the investigation results were timely reviewed. Specifically, we found that:

- Investigations were not timely initiated for 441 (146 open cases and 295 closed cases) of the 4,080 cases. As previously noted, Department rules¹⁰ specified that ombudsmen were to initiate an investigation no later than 7 calendar days after the District Ombudsman Manager received a complaint. However, our analysis of LTCOP system data disclosed that on average, the 441 cases were initiated 37 calendar days after the District Ombudsman Manager had received the related complaints. In response to our audit inquiry, SLTCO management indicated that for selected cases it appeared that there were data entry errors and cases had been initiated timely; however, in some cases staff turnover had led to delays in the initiation of the investigations.
- Although required by Department rules,¹¹ investigations were not always closed within 90 calendar days after the complaint was received. For 41 of the 279 open cases, more than 90 calendar days had elapsed, as of December 31, 2013, since the dates the complaints were received. Additionally, the ombudsmen completed 221 of the 3,801 closed cases more than 90 calendar days after the receipt of the complaints, with completion dates averaging 151 calendar days after the complaint receipt. In response to our audit inquiry, SLTCO management indicated that for selected cases it appeared data entry errors and changes in ombudsmen assignments caused the identified delays in closing cases.
- SLTCOP policies and procedures did not require or define the timely District Ombudsman Manager or district staff review of cases with completed investigations. Absent an established time frame, we considered, for audit purposes, the review to be timely if it occurred within 14 calendar days of receipt of the case. Our analysis of the dates recorded in the LTCOP system disclosed that 2,287 of the 3,801 closed cases had not been reviewed within 14 calendar days after receipt. Specifically, these 2,287 cases were reviewed, on average, 52 calendar days after receipt of the completed investigation.
- SLTCOP policies and procedures did not require or define the timely input of complaint cases into the LTCOP system. Absent an established time frame, we considered, for audit purposes, cases entered into the LTCOP within 5 business days of complaint receipt to be timely input. Our analysis of the dates recorded in the LTCOP system disclosed that 159 of the 4,080 cases were not timely entered into the LTCOP system. Specifically, these 159 cases were input, on average, 17 business days after the complaints were received.

Although the SLTCOP policies and procedures specified, for cases nearing the 90-day deadline for case closure, that the District Ombudsman Managers were to monitor an open case report on a monthly basis, SLTCO management stated in response to our audit inquiry that, due to workload issues at the district offices, the District Ombudsman Managers may not have performed the required open case monitoring. SLTCO management also indicated that workload issues may have caused the delays in LTCOP system data input.

The SLTCO is responsible for investigating and resolving complaints made by or on behalf of residents of long-term care facilities. These complaints generally relate to the physical, emotional, and financial well-being of the residents. By promptly investigating and resolving complaints, the SLTCO may reduce the residents' risk of prolonged abuse or exploitation.

Recommendation: We recommend that SLTCO management establish standards for the timely entry of cases into the LTCOP system and for the timely performance of case reviews. We also recommend that SLTCO management establish monitoring policies and procedures to ensure that complaint cases are timely entered in the LTCOP system, timely initiated, and timely reviewed. Additionally, SLTCO management should ensure that District Ombudsman Managers appropriately monitor the status of open cases nearing the 90-day case closure deadline as required by established SLTCOP policies and procedures.

¹⁰ Department Rule 58L-1.007(2)(a), Florida Administrative Code.

¹¹ Department Rule 58L-1.007(2)(d), Florida Administrative Code.

Finding No. 3: Ombudsmen Certification

State law¹² requires all direct services providers to undergo a level 2 background screening.¹³ Accordingly, all SLTCOP ombudsmen are required to undergo screenings as part of the ombudsmen certification process. State law¹⁴ also requires all SLTCO employees and State and local council members to receive a minimum of 20 hours of training upon assignment to the SLTCOP or approval as a State or local council member, and 10 hours of continuing education annually thereafter.

SLTCOP policies and procedures¹⁵ required that an individual interested in serving as an ombudsman was to submit an application and be interviewed and accepted by the District Ombudsman Manager. For each accepted applicant, the District Ombudsman Manager was to schedule an appointment for fingerprinting and obtain from the applicant a signed statement of agreement acknowledging the conflict of interest requirements and a signed affidavit of compliance with background screening requirements. The District Ombudsman Manager was to submit a recommendation for the applicant's appointment, including the applicable paperwork, to the State Ombudsman for approval. Upon approval, applicants were referred to as ombudsmen and could begin training, but could not enter the field or complete field training until their level 2 background screening results were received with no areas of concern noted.

Each ombudsman was required to complete training, including online training, classroom training, and field training during which the ombudsman was to conduct at least three administrative assessments and three complaint investigations while accompanied by a District Ombudsman Manager or a certified ombudsman. After the ombudsman completed the required training, the District Ombudsman Manager was to complete a certification checklist and submit it to the State Ombudsman for approval and, upon approval, the ombudsman was certified. Each certified ombudsman was to annually complete 10 hours of training based on an October 1 through September 30 year. The District Ombudsman Manager was responsible for ensuring that the ombudsman training was approved in advance and for ensuring that completed training was recorded on a training log.

As part of our audit, we examined background screening and training records for 25 ombudsmen, including 20 volunteers and 5 SLTCO employees certified as ombudsmen, who conducted complaint investigations during the period July 2012 through December 2013, to determine whether the ombudsmen had timely received background screenings and appropriately completed required training. Our audit procedures disclosed that, although SLTCOP policies and procedures addressed specific requirements for background screenings and ombudsmen training, SLTCO staff did not always follow the policies and procedures. Specifically, we found that:

- The SLTCO had not ensured that 3 volunteer ombudsmen, certified in 2003, 2006, and 2007, underwent the required level 2 background screenings. Although for another 2 volunteer ombudsmen certified in 2008, background screening dates prior to, or on the day of, their approval had been recorded in the LTCOP system, the SLTCO could not provide documentation of the individual's initial background screenings, or of

¹² Section 430.0402, Florida Statutes, defines "direct service provider" as a person 18 years of age or older who, pursuant to a program to provide services to the elderly, has direct, face-to-face contact with a client while providing services to the client and has access to the client's living areas, funds, personal property, or personal identification information. The term includes coordinators, managers, and supervisors of residential facilities and volunteers.

¹³ As defined in Section 435.04, Florida Statutes, a level 2 background screening includes, but need not be limited to, fingerprinting for Statewide criminal history records checks through the Department of Law Enforcement, national criminal history records checks through the Federal Bureau of Investigation, and may include local criminal records checks through local law enforcement agencies.

¹⁴ Section 400.0091(1), Florida Statutes.

¹⁵ Long-Term Care Ombudsman Program District Ombudsman Manager Operations Manual, Chapter 3, *Office Support for Ombudsmen*.

subsequent rescreenings. In response to our audit inquiry, SLTCO management indicated that the background screenings were not required pursuant to State law. However, in January 2006, Department policies and procedures¹⁶ were amended to require fingerprinting and criminal history background checks for new and current employees and volunteers and background rescreenings every 5 years.

- The SLTCO could not provide sufficient documentation evidencing that field training was completed prior to the certification of 7 of the 9 volunteer ombudsmen certified during the period July 2012 through December 2013.
- The SLTCO was unable to provide documentation demonstrating that 3 SLTCO employees and 6 volunteer ombudsmen had received the required 10 hours of annual training during the period October 1, 2012, through September 30, 2013.

Ombudsmen assist in protecting the health, safety, welfare, and rights of residents of long-term care facilities. Ensuring that volunteers and SLTCO employees receive required background screenings reduces the risk that persons with inappropriate backgrounds will serve as ombudsmen and appropriate training provides greater assurance that investigations will be properly conducted.

Recommendation: We recommend that SLTCO management ensure that ombudsmen are subject to background screenings and receive training in accordance with established policies and procedures.

Finding No. 4: LTCOP System Access Controls

Effective information technology (IT) controls ensure the confidentiality, integrity, and availability of data and are essential to the overall efficient management of IT resources. The Department, Bureau of Information Services, provided technical support for Department IT systems, including the LTCOP system, to both Department employees and IT staff of the Area Agencies on Aging.

Effective IT access controls restrict user access privileges to only what is necessary in the performance of assigned job duties and promote an appropriate separation of job duties. Additionally, effective access controls should include provisions to timely deactivate employee access privileges for inactive accounts and when employment terminations occur.

To promote security over State agency IT systems and data, minimum security standards were established in Agency for Enterprise Information Technology (AEIT) rules.¹⁷ Those rules specify that agency information owners are responsible for authorizing access to information and require that agency information owners review: access rights (privileges) periodically based on risk, access account change activity, and error rate. The rules also require the adequate separation of duties to minimize the opportunity for any one person to subvert or damage information resources.

We reviewed Department policies and procedures related to LTCOP system access controls and examined records of LTCOP system user access privileges and noted that:

- Department management had not established policies and procedures recognizing incompatible IT functions and duties, including those related to the LTCOP system, and requiring that those functions and duties be separated among IT staff. To reduce the risk of unauthorized transactions to critical IT systems, written

¹⁶ Department Policy and Procedure 550.20, *Criminal History Background Checks*.

¹⁷ AEIT Rules 71A-1.007 and 71A-2.005, Florida Administrative Code. Effective July 1, 2014, Chapter 2014-221, Laws of Florida, created the Agency for State Technology (AST) within the Department of Management Services and authorized a type two transfer of all records; property; administrative authority; administrative rules in Chapters 71A-1 and 71A-2, Florida Administrative Code; and existing contracts of the AEIT to the AST.

procedures establishing an appropriate separation should be implemented between the duties of end users, network administrators, system programmers, and database administrators and the functions of computer operations, application systems development and maintenance, change management, and security administration.

- The Department had not established policies and procedures regarding user account management, including specific procedures for requesting, approving, assigning, and removing LTCOP system user accounts. The lack of established policies and procedures for controlling access increases the risk that access controls may not be consistently followed or carried out in a manner consistent with management's expectations.
- Access to the LTCOP system was not always timely deactivated upon employment termination. We examined LTCOP system access records for 38 employees with update capabilities who had separated from Department employment during the period July 2012 through December 2013. These 38 employees had been assigned a total of 62 user accounts. Our examination disclosed that LTCOP system access privileges for 25 employees (with 38 user accounts) had remained active from 2 to 399 business days (an average of 60 business days) after the dates the employees separated from Department employment. In response to our audit inquiry, Department management attributed the delays to staff oversight. Our audit tests did not disclose any LTCOP system transactions entered using the 25 former employees' accounts subsequent to the employment termination dates; however, absent timely deactivation of unnecessary access privileges, the risk is increased that unauthorized LTCOP system use may occur. Subsequent to our audit inquiry, 7 employees' user access privileges (related to 9 user accounts) were deactivated.
- Department policies and procedures did not require a periodic review of LTCOP system user access privileges and the Department had not conducted a comprehensive user access review since September 2012. In response to our audit inquiry, Department management indicated that management only reviewed user access privileges when a specific incident was reported or information regarding a specific user account was requested. Periodic and timely reviews of access privileges help ensure that the access privileges assigned to users are monitored on a regular basis to verify that the access privileges are authorized and remain appropriate.

Recommendation: We recommend that Department management establish policies and procedures providing for:

- The appropriate separation of incompatible IT functions and duties;
- User account management, including specific procedures for requesting, approving, assigning, and removing LTCOP system user accounts; and
- Periodic reviews of the appropriateness of LTCOP system user access privileges.

We also recommend that Department management ensure that LTCOP system access privileges are timely deactivated upon an employee's separation from Department employment.

Finding No. 5: Change Management Controls

To promote effective configuration management over IT resources, AEIT rules¹⁸ require State agencies to implement a change management process for modifications to IT resources. Effective change management processes should provide for appropriate separation of duties and ensure system and application changes are properly authorized, tested, approved, and tracked. Additionally, the change management records should clearly document and track the change management process from initial authorization to the final approval of the change.

Our review of general IT controls affecting the LTCOP system disclosed that the Department had not implemented a change management process for modifications to Department IT resources, including the LTCOP system. As part of

¹⁸ AEIT Rule 71A-1.011(4), Florida Administrative Code.

our audit, we requested change management documentation for 2 of the 12 program modifications made by the Department to the LTCOP system during the period July 2012 through December 2013. These modifications were to repair an error in a dropdown menu and to revise parameters of a report generated from the LTCOP system. Although Department staff provided some relevant information, they were unable to provide documentation demonstrating that the final approval of the 2 program modifications was granted after the changes had been made and accepted by the users. Department staff were also unable to provide documentation demonstrating that 1 of the program modifications was properly authorized. Additionally, our review of the change management documentation for both program modifications disclosed that the programmer who completed the changes also moved the changed program to production, contrary to an appropriate separation of duties for IT functions.

In response to our audit inquiry, Department management indicated that the Department was in the process of developing and implementing a formal change management process. Absent a change management process with established controls to ensure the appropriate separation of duties and to document the authorization, testing, approval, and user acceptance of program changes, the risk is increased that unauthorized or erroneous changes may be made to the LTCOP system.

Recommendation: We recommend that Department management continue efforts to establish a change management process for modifications to Department IT resources. The process should ensure that program changes are appropriately authorized before and approved after the changes are made, user acceptance is documented, and change management duties are appropriately separated.

Finding No. 6: LTCOP System Data Processing Controls

Effective data processing controls are necessary to provide reasonable assurance that all transactions that occur are input into the system, accepted for processing, processed once and only once by the system, and properly included in system output. Such controls should include tools and procedures to identify, report, and correct any errors that occur during the data entry process. For example, established controls should include: 1) user error logs to provide timely follow-up and correction of unresolved data errors and irregularities, 2) an established monitoring process to assure the effectiveness of error handling procedures, and 3) procedures to periodically review user error logs to determine the significance and nature of the data errors as well as the status of any uncorrected data errors.

SLTCOP policies and procedures¹⁹ required that, upon receipt of a complaint, SLTCO district staff or the District Ombudsman Manager complete an intake form and enter the complaint information into the LTCOP system. The system automatically assigned a sequential case ID number to each complaint upon input. As part of our audit, we analyzed data for all complaints recorded in the LTCOP system as received during the period July 2012 through December 2013. Our analysis disclosed gaps in the sequential numbering related to the ID numbers assigned to 929 complaint cases. Further analysis of Department records indicated that 102 of the 929 complaint cases had been manually deleted by the District Ombudsman Managers and the remaining 827 cases had been automatically purged from the LTCOP system due to the lack of required data.

In response to our audit inquiry, Department management stated that the deletions and purges were due to system and data input errors. While our audit procedures found that the Department's Bureau of Information Systems staff maintained a list of cases deleted from the LTCOP system, the reasons for the deletions were not maintained. In addition, we discovered that the cases purged from the LTCOP system had been permanently erased and could not be

¹⁹ Long-Term Care Ombudsman Program District Ombudsman Manager Operations Manual, Chapter 4, Section F – *Complaint Investigations*.

traced. We also found that SLTCOP policies and procedures did not require the District Ombudsman Manager to document the reason for deleting a case in the LTCOP system or to log the deleted cases, and preapproval from the regional offices or Central Office for the deletion of cases was also not required.

Without a record of, and explanation for, all cases deleted and purged from the LTCOP system, errors that occur during the data entry process may not be appropriately identified and documented, and deletions and purges may not be appropriately monitored and approved. As a result, there is an increased risk that complaints may not be properly investigated and that documentation of Department actions related to complaints may not be appropriately maintained.

Recommendation: We recommend that Department management establish procedures to identify and correct any errors that occur when complaint cases are entered into the LTCOP system. Additionally, we recommend that Department management establish error logs to document and provide explanation for all cases deleted and purged from the LTCOP system. Such logs should be periodically reviewed by management to determine the significance and nature of data errors as well as the status of any uncorrected data errors.

Finding No. 7: Quarterly and Annual Reports

State law²⁰ requires the SLTCO to maintain a Statewide uniform reporting system to collect and analyze data relating to complaints and conditions in long-term care facilities and to residents for the purpose of identifying and resolving significant problems. In addition, State law requires the SLTCO to publish quarterly, and make readily available, information pertaining to the number and types of complaints received by the SLTCO and include this information in the SLTCO's annual report. The annual report is to be prepared by the State Ombudsman and is to describe the activities of the SLTCO, the State council, and local councils.²¹ The State Ombudsman is to submit the report to the Secretary of the Department at least 30 days before the convening of the regular session of the Legislature. Pursuant to State law, the annual report is to, among other things:

- Contain and analyze data collected concerning complaints about and conditions in long-term care facilities and the disposition of those complaints.
- Evaluate the problems experienced by residents.
- Provide recommendations for policy, regulatory, and statutory changes designed to: solve identified problems; resolve residents' complaints; improve residents' lives and quality of care; protect residents' rights, health, safety, and welfare; and remove any barriers to the optimal operation of the SLTCOP.
- Contain recommendations from the State council regarding program functions and activities and recommendations for policy, regulatory, and statutory changes designed to protect residents' rights, health, safety, and welfare.
- Contain any relevant recommendations from the local councils regarding program functions and activities.

During the period July 2012 through February 2014, the SLTCO was required to prepare and publish six quarterly reports and two annual reports. Our audit procedures disclosed that the SLTCO had not established policies and procedures for the preparation of required quarterly and annual reports to ensure that all required information was reported, accurate, and appropriately documented. We also found that, absent established policies and procedures, the SLTCO had not ensured that required reports were always prepared and published or that the published reports included required or accurate information. Specifically:

²⁰ Section 400.0089, Florida Statutes.

²¹ Section 400.0065(2)(i), Florida Statutes.

- The SLTCO did not prepare or publish five of the six quarterly reports required during the period July 2012 through February 2014 and, while the SLTCO prepared and published the quarterly report for the quarter ended December 2012, the report did not contain the number and type of complaints received by the SLTCO as required by State law.
- The annual report describing the activities of the SLTCO, the State Council, and local councils was based on an October 1 through September 30 year. We examined the 2012-13 annual report, submitted in February 2014, and the available supporting documentation and noted that the report did not contain all the required information, some reported information was incorrect, and the SLTCO could not provide documentation to support some of the reported information. Specifically, we noted that:
 - While the annual report contained policy and regulatory recommendations, the SLTCO could not provide documentation demonstrating that the report included recommendations from the State Long-Term Care Ombudsman Council or the local councils regarding program functions and activities or recommendations for any necessary policy, regulatory, and statutory changes designed to protect residents' rights, health, safety, and welfare.
 - The SLTCO could not provide documentation to support the number of long-term care facility beds reported for the period January 2013 through September 2013.
 - The reported numbers of facility assessments, facility visitations, and nursing home complaints by origin were incorrect. Based on the supporting SLTCOP records, the reported number of facility assessments was understated by 1,092 assessments (27 percent) and the number of reported facility visitations was overstated by 1,085 visitations (36 percent). Additionally, the SLTCO reported that 3 percent of complaint cases were of an unknown origin and 6 percent of cases originated from facility assessments; however, SLTCOP records indicated that 9.86 percent of cases were of unknown origin and 0.62 percent originated from facility assessments.
 - The reported numbers of complaints, complaints accepted, and complaints investigated represented 2011-12 year data, rather than 2012-13 year data.

In response to our audit inquiry, SLTCO management indicated that the quarterly reports had not been prepared due to staff turnover in the position assigned responsibility for preparing the quarterly reports. SLTCO management also indicated that the errors and omissions noted in the annual report dated February 2014 were due to staff error.

Absent policies and procedures addressing the preparation and review of reports and guidance on how to collect, analyze, compile, and report SLTCO activities, required reports may not be timely prepared or accurately present the information required by State law.

Recommendation: We recommend that SLTCO management implement policies and procedures to ensure the timely and proper preparation of required reports. Such policies and procedures should address report preparation and review and provide guidance on how to accurately collect, analyze, compile, and report SLTCO activities in accordance with State law.

Finding No. 8: SLTCOP Travel Expenditures

To ensure the appropriateness of expenditures, Department management is responsible for establishing and implementing controls, including controls designed to prevent improper payments. Such controls should ensure that: requests for travel reimbursement are timely submitted and approved; prior to payment, amounts are accurate and adequately supported; transactions comply with applicable laws, rules, and Department policies; and transactions are accurately coded.

State law²² establishes requirements for the reimbursement of State business travel expenses. Among the requirements, State law²³ specifies that all travel must be authorized and approved by the agency head, or designated representative, and that travel expenses be limited to those expenses necessarily incurred by the traveler in the performance of a public purpose authorized by law to be performed by the agency. State law²⁴ further specifies that the Department of Financial Services (DFS) is to adopt rules and furnish a uniform travel authorization request form for authorization of travel related to a conference or convention, and a uniform travel voucher form for approval and payment of travel expenses. All mileage claimed for reimbursement is to be shown from point of origin to point of destination and, when possible, be computed on the basis of the current map of the Department of Transportation (DOT).²⁵ Vicinity mileage necessary for conduct of official business is allowable, but must be shown as a separate item on a travel voucher.

DFS rules²⁶ for State agency travel specify that State agencies may not pay for mileage between a traveler's residence and their headquarters or regular work location. The rules²⁷ also define point of origin as the geographic location of the traveler's official headquarters or the geographic location where travel begins, whichever is the lesser distance from the destination.

The Department established policies and procedures²⁸ for travel that incorporated the requirements of State law and DFS rules and established additional requirements. Specifically, the policies and procedures required supervisors to approve a travel voucher form no later than 5 days after the date a voucher form was received and all invoices, including receipts, were to be submitted with the travel voucher form and submitted to the Accounting Office within 5 days of the last day of travel.

In addition, the SLTCO had established additional guidelines²⁹ for the submission of SLTCOP travel expenses to help ensure that SLTCOP travel expenditures were timely recorded for budgeting purposes. The guidelines required volunteers to submit travel reimbursement voucher forms within 3 business days of the monthly local council meeting; and Central Office employees to submit travel voucher forms no later than 2 business days after the travel expense was incurred.

During the period July 2012 through December 2013, employee and volunteer travel expenditures related to the SLTCOP totaled \$367,406. As part of our audit, we examined documentation for 31 travel expenditures, including reimbursements for mileage, lodging, and car rentals, totaling \$12,562, incurred by Department employees and volunteers during the period July 2012 through December 2013. Our examination disclosed that Department and SLTCO controls did not always ensure that, prior to payment, travel expenditures were necessary and reasonable for the administration of the SLTCOP, sufficient documentation was available to support SLTCOP-related travel expenditures, and travel reimbursement voucher forms were correctly and timely completed, submitted, and approved. For example, we found that:

- Amounts claimed for mileage reimbursement were not always reasonable when compared to the DOT's Florida Official Intercity Highway Mileage Web site or online mapping services.

²² Section 112.061, Florida Statutes.

²³ Section 112.061(3)(a) and (b), Florida Statutes.

²⁴ Section 112.061(11), Florida Statutes.

²⁵ Section 112.061(7)(d)3., Florida Statutes.

²⁶ DFS Rule 69I-42.008(4), Florida Administrative Code.

²⁷ DFS Rule 69I-42.002(15), Florida Administrative Code.

²⁸ Department Policy and Procedure 535.05-.25, *Travel and Transportation Procedures*, and Department Policy and Procedure 530.05, *P-Card Policies and Procedures*.

²⁹ LTCOP Administrative Memorandum 11-01: Submission of Travel Expenses.

- Travelers did not always separately report map and vicinity mileage for each trip, but instead included the total miles as either map mileage or vicinity mileage.
- Travel costs paid with State purchasing cards were not always supported by a travel reimbursement voucher form or other documentation demonstrating that the travel was for State business and complied with State law and DFS rules.
- Travelers sometimes claimed and were reimbursed for mileage from their residences to their designated headquarters and travelers sometimes used their residence as the point of travel origin, although the local office was closer to the destination. Most of the travelers using their residence as the point of origin were volunteers; however, the travel reimbursement voucher forms showed the local office as the volunteer’s headquarters.
- Travel reimbursement voucher forms were not always timely submitted and approved.

We provided the details of these issues to Department management and also discussed the designation of headquarters for volunteers’ travel. In response to our audit inquiry, Department management indicated that, as of April 2014, procedures for review and approval of travel expenditures had been improved to require approvers to recalculate map mileage and to ensure that any discrepancies noted during review are documented and explained prior to the reimbursement of travel costs. Department management also indicated that actions had been taken to remind SLTCO employees and volunteers of the time requirements for submitting and approving travel expenditures.

Absent controls that ensure, prior to payment, travel expenditures are necessary and reasonable, adequately documented, and timely submitted and approved, the Department and SLTCO have limited assurance, and may be unable to demonstrate, that amounts paid for travel conformed to all governing requirements of laws, rules, policies and procedures, and other guidelines.

Recommendation: We recommend that Department management enhance review of SLTCOP travel expenditures to ensure that all required documentation is accurate, complete, timely submitted, and properly maintained in accordance with all applicable laws, rules, policies and procedures, and other guidelines.

Selected Administrative Activities

As part of our audit we also evaluated selected Department administrative activities and controls, including those related to the Client Information and Registration Tracking System (CIRTS), the Department’s network, administration of Florida Accounting Information Resource Subsystem (FLAIR) access privileges, and the Department’s collection and use of social security numbers.

Finding No. 9: CIRTS and Network Access Controls

The Department and Area Agencies on Aging used CIRTS to manage client assessment data (including confidential information), register clients for services, plan client services, and maintain program waiting lists. The Department, Bureau of Information Systems (Bureau), was responsible for deactivating employee access to CIRTS and the Department’s network based upon approval by the appropriate supervisor or local area administrator. Human Resources staff was to weekly prepare and send Bureau staff a Personnel Action Report (PAR) listing new employees and terminations. Bureau staff used the PAR to add or deactivate user access to Department systems. The Bureau, in some cases, may have also received a request to deactivate access directly from a supervisor or administrator.

Department policies and procedures³⁰ specified that the Bureau was to deactivate a terminated employee's access within 24 hours of receipt of the PAR or request.

In our report No. 2012-135, finding No. 6, we noted delays in the deactivation of CIRT'S user access privileges upon users' separation from Department employment. As part of our audit follow-up procedures, we reviewed Department records and identified 93 employees with CIRT'S access privileges who separated from Department employment during the period July 2012 through December 2013. Our audit procedures again disclosed that CIRT'S user access privileges were not always timely deactivated. In addition, although deactivation of users' Department network access privileges would have ensured that users could not access CIRT'S, access privileges to the Department's network were not always timely deactivated upon an employee's separation. Specifically, we noted that:

- Although 32 former employees' CIRT'S access privileges had been deactivated as of February 20, 2014, the dates of deactivation ranged from 2 to 295 business days after the dates of the employee's separation from Department employment. Access privileges for the Department's network had also not been timely deactivated for 14 of the 32 employees. For 13 of the 14 employees, although network access had been deactivated as of January 17, 2014, the dates of network access deactivation ranged from 2 to 5 business days after the employee's separation dates. The network user account for the other former employee was not deactivated until 292 business days after the employee separated from Department employment and subsequent to our audit inquiry.
- The CIRT'S user accounts for 6 former employees were active as of April 30, 2014. Two of the 6 employees' network user accounts were also active on that date. Subsequent to our audit inquiry, Department management indicated that access to CIRT'S had been deactivated for the 6 employees (dates of deactivation ranged from 157 to 440 business days after the separation dates), and network access had also been deactivated for the 2 employees (151 and 440 business days after the separation dates).

In response to our audit inquiry, Department management indicated that most of the untimely deactivations were due to employee error; however, the user accounts for three former employees had been kept open so that Bureau staff could log into the accounts for technical reasons. Bureau staff had changed the passwords for these user accounts to prevent the terminated employees from accessing CIRT'S. Department management further indicated that they were implementing a computer-based process to ensure that all necessary parties are notified when employees change positions or separate from Department employment.

Delays in canceling user access privileges increase the risks of inappropriate access to IT resources and unauthorized disclosure, modification, or destruction of Department IT resources and data, including confidential client information.

Recommendation: To minimize the risk of compromising Department data and IT resources, we again recommend that Department management ensure that all IT access privileges are canceled immediately upon a user's separation from employment.

Finding No. 10: CIRT'S Security Controls

Security controls are intended to minimize the risk of unauthorized access to data and IT resources. As similarly noted in our report No. 2012-135, finding No. 7, our follow-up audit procedures disclosed a Department security control related to CIRT'S that needed improvement. We are not disclosing specific details of the issue in this report to avoid the possibility of compromising CIRT'S data and Department IT resources. However, we have notified

³⁰ Department Policy and Procedures DOEA 420.10, *Management Information Systems*.

appropriate Department management of the specific issue. Without adequate security controls, the risk is increased that the confidentiality, integrity, and availability of CIRT'S data and Department IT resources may be compromised.

Recommendation: We again recommend that Department management enhance security controls over CIRT'S to ensure the integrity, confidentiality, and availability of CIRT'S data and Department IT resources.

Finding No. 11: Network User Authentication Controls

Security controls are intended to minimize the risk of unauthorized access to data and IT resources. Our audit procedures disclosed that a security control related to user authentication over access to the Department's network needed improvement. We are not disclosing specific details of the issue in this report to avoid the possibility of compromising Department data and IT resources. However, we have notified appropriate Department management of the specific issue. Without adequate security controls related to user authentication, the risk is increased that the confidentiality, integrity, and availability of data and IT resources may be compromised.

Recommendation: We recommend that Department management strengthen security controls over access to the Department's network to ensure the integrity, confidentiality, and availability of data and IT resources.

Finding No. 12: FLAIR Access Controls

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

Our review of the Department's processes for monitoring and deactivating FLAIR access privileges disclosed that while the Department had established written procedures for periodically monitoring the appropriateness of FLAIR access, no documentation of the reviews was maintained. Additionally, our tests of Department FLAIR access controls and review of Department employee access privileges for the 92 FLAIR user accounts active during the period July 2012 through December 2013 disclosed that:

- A user account with update capabilities to access control, cash receipts, disbursements, fixed assets accounting, and fixed assets custodial, was shared by three employees who were responsible for disbursements, contract payments, and monthly financial statement reconciliations. Subsequent to our audit inquiry, the shared account was deactivated.
- Employees performing financial management functions had been granted update capabilities to incompatible FLAIR functions. Specifically, we found for eight FLAIR user accounts (assigned to seven employees) that:
 - Four of the user accounts (assigned to three employees) had update access to both the disbursement and vendor file functions.
 - Four of the user accounts (assigned to three employees) had update access to both the fixed assets accounting and fixed assets custodial functions.
 - Seven of the user accounts (assigned to six employees) had update access to both the disbursement and cash receipts functions.

Subsequent to our audit inquiry, the incompatible access privileges were removed for the eight user accounts. Incompatible access privileges heighten the risk that errors or fraud may occur and not be timely detected.

- Access to FLAIR was not always timely deactivated upon separation from Department employment. We examined FLAIR access records for the ten employees with FLAIR update capabilities who separated from Department employment during the period July 2012 through December 2013. We discovered that seven former employees' FLAIR access privileges remained active from 16 to 201 business days (an average of 87 business days) after the employees' separation dates. Access privileges were deactivated for two of these employees subsequent to our audit inquiry. Our audit tests did not disclose any FLAIR transactions entered by the seven former employees' user accounts subsequent to the employees' separation from Department employment.

Absent effective procedures appropriately separating accounting duties, promoting the prompt deactivation of employee access privileges upon employment termination, and requiring the maintenance of documentation demonstrating the periodic review of employee access privileges, the Department is exposed to a greater risk of unauthorized disclosure, modification, or destruction of Department data.

Recommendation: We recommend that Department management maintain documentation of the periodic reviews of FLAIR access privileges and limit such privileges to only those functions needed for the performance of the user's job duties. Additionally, we recommend that Department management ensure that FLAIR access privileges are timely deactivated upon an employee's separation from Department employment.

Finding No. 13: Collection of Social Security Numbers

The Legislature has acknowledged in State law³¹ that a person's social security number (SSN) was never intended to be used for business purposes. However, over time the SSN has been used extensively for identity verification and other legitimate consensual purposes.

Recognizing that an SSN can be used to perpetrate fraud against an individual and acquire sensitive personal, financial, medical, and familial information, the Legislature specified³² that State agencies may not collect an individual's SSN unless the agency is authorized by law to do so or it is imperative for the performance of that agency's duties and responsibilities as prescribed by law. Additionally, State agencies are required to provide each individual whose SSN is collected written notification regarding the purpose for collecting the number. The SSNs collected may not be used by the agency for any purpose other than the purposes provided in the written notification. State law further provides that SSNs held by an agency are confidential and exempt from public inspection and requires each agency to review its SSN collection activities to ensure the agency's compliance with the requirements of State law and to immediately discontinue SSN collection upon discovery of noncompliance.

We noted that the Department had not established written policies and procedures relating to the collection and use of SSNs by Department programs. Additionally, we found that the Department could not demonstrate the statutorily required review of its SSN collection activities. In response to our audit inquiry, Department management indicated that steps will be taken to ensure that Department programs requiring the collection of SSNs comply with all statutory requirements.

Effective controls, including written policies and procedures addressing the Department's collection and use of individuals' SSNs, and periodic assessments of SSN collection activities, would better ensure and demonstrate

³¹ Section 119.071(5), Florida Statutes.

³² Section 119.071(5)(a)2.a., Florida Statutes.

Department compliance with statutory requirements and reduce the risk that SSNs may be unnecessarily collected or utilized for unauthorized purposes.

Recommendation: We recommend that Department management establish written policies and procedures regarding the collection and use of individuals' SSNs and take appropriate steps to demonstrate compliance with applicable statutory requirements.

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 No. 2012-135.

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 January 2014 through April 2014 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 focused on Department activities and functions related to the State Long-Term Care Ombudsman Program 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 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 determine whether management had corrected, or was in the process of correcting, all applicable deficiencies disclosed in our report No. 2012-135.
- To identify statutory and fiscal changes that may be recommended to the Legislature pursuant to Section 11.45(7)(h), Florida Statutes.

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

As described in more detail below, for those programs, activities, and functions included within the scope of our audit, our audit work included, but was not limited to, communicating to management and those charged with

governance the scope, objectives, timing, overall methodology, and reporting of our audit; obtaining an understanding of the program, activity, or function; exercising professional judgment in considering significance and audit risk in the design and execution of the research, interviews, tests, analyses, and other procedures included in the audit methodology; obtaining reasonable assurance of the overall sufficiency and appropriateness of the evidence gathered in support of our audit's findings and conclusions; and reporting on the results of the audit as required by governing laws and auditing standards.

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

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

In conducting our audit we:

- Reviewed applicable laws, rules, regulations, and Department policies and procedures and interviewed Department personnel to gain an understanding of the Office of the State Long-Term Care Ombudsman (SLTCO) operations.
- Obtained an understanding of information technology (IT) controls related to the Long-Term Care Ombudsman Program (LTCOP) system, assessed the risks related to those controls, evaluated whether selected general and application controls were in place, and tested the effectiveness of the controls.
- Evaluated Department and State Long-Term Care Ombudsman Program (SLTCOP) procedures for ombudsman training, complaint investigations, record confidentiality, and identifying conflicts of interest to determine whether the Department had adequately designed and implemented controls for the administration of the SLTCOP.
- Analyzed LTCOP system data for 4,080 complaint cases recorded as received during the period July 2012 through December 2013 to determine whether the cases appeared to be timely investigated and appropriately closed.
- Examined Department records for ten complaint cases, with a classification of unverified or blank, that were closed during the period July 2012 through December 2013 to determine whether Department records demonstrated that sufficient investigative work had been performed to support case closure and the classification.
- Examined Department records for two complaint cases received from the Agency for Health Care Administration (Agency) and closed during the period July 2012 through December 2013 to determine whether the SLTCO provided summary reports of the findings of investigated complaints to the Agency within 20 days of case closure as required by the Department's Memorandum of Understanding with the Agency.
- Examined Department records for 5 SLTCO employees and 20 volunteer ombudsmen who conducted complaint investigations during the period July 2012 through December 2013 to determine whether the employees and volunteer ombudsmen had completed required training and been subjected to appropriate background screenings. We also evaluated whether the SLTCO's training program was adequate to ensure ombudsmen were properly qualified to conduct investigations and administrative assessments.
- Examined Department records for 60 complaint cases closed during the period July 2012 through December 2013 to determine whether the cases were timely responded to, investigated, resolved, and adequately documented, and whether the Department complied with Department agreements with the Agency and the Office of the Attorney General, Medicaid Fraud Control Unit.

- Analyzed Department records of administrative assessments conducted by the SLTCO to determine if all licensed long-term care facilities received administrative assessments during the 2012-13 Federal fiscal year, and reviewed selected Department records to determine whether a standard tool was used to assess the factors affecting the residents' rights, health, safety, and welfare.
- Examined Department records for 40 administrative assessments conducted during the 2012-13 Federal fiscal year to determine whether the SLTCO appropriately completed the annual assessments, established complaints for issues noted during the assessment, and if applicable, followed up on any previously reported issues.
- Reviewed the SLTCO Annual Report for the 2012-13 Federal fiscal year to determine if the report included all information required by Federal and State laws, and whether the reported information was accurate and properly supported by SLTCOP records.
- Reviewed one SLTCO Quarterly Report due during the period July 2012 through February 2014 to determine if the report was timely prepared, all required information was reported, and the information reported was supported by the complaint data maintained by the SLTCO.
- Examined documentation for 37 expenditures (31 travel and 6 general), totaling \$18,053, made during the period July 2012 through December 2013 to determine whether the expenditures were for the correct amount; adequately documented; made in accordance with applicable laws, rules, and contract terms; and properly authorized and approved.
- Evaluated Department actions taken to correct applicable findings noted in our report No. 2012-135. Specifically, we:
 - Obtained and reviewed the adequacy of Department procedures for monitoring consumer contacts in ReferNET.
 - Analyzed ReferNET call data for all contacts received by the provider service areas during the period July 2012 through December 2013 to determine whether the Department had established a standardized system for assigning a reason for contact and whether a reason for contact had been assigned to each contact.
 - Obtained and reviewed the July 2012 Programs and Services Handbook to determine if the roles of the Aging Resource Centers (ARCs) for receiving and handling consumer referrals were clearly defined.
 - Examined documentation for 20 clients added to the Client Information and Registration Tracking System (CIRTS) during the period July 2012 through December 2013 to determine whether the clients were enrolled through an ARC rather than the ARC's contracted provider and whether ARC staff performed follow-up consumer contact within 14 days.
 - Obtained and reviewed documentation for the Department's risk assessment for 2013 ARC monitoring to determine whether the risk assessment process was adequately documented.
 - Reviewed two Department monitoring reports issued during the period July 2012 through December 2013 to determine whether identified deficiencies were included in the monitoring report or, if not included, the Department adequately documented the decision to exclude the item.
 - Obtained and reviewed the adequacy of Department procedures for deactivating CIRTS user access.
 - Compared a listing of employees separated from Department employment during the period July 2012 through December 2013 with the listing of Department employees with CIRTS user access to determine whether former employees continued to have CIRTS access.
 - Obtained and reviewed Department procedures to determine whether CIRTS security controls were sufficient to reasonably ensure the confidentiality, integrity, and availability of data and IT resources.
- Observed, documented, and evaluated the effectiveness of selected Department processes and procedures for the Department's budgetary, purchasing, cash management, revenues, and cash receipts processes.

- Evaluated Department policies, procedures, and processes for collecting and utilizing individuals’ social security numbers to determine the extent of Department compliance with the applicable requirements of State law.
- Examined FLAIR access control records for the 92 user accounts active during the period July 2012 through December 2013 to determine whether user accounts were identifiable to specific individuals and whether the access privileges were appropriate given the employees’ job duties.
- Evaluated the timeliness of the deactivation of FLAIR access privileges for the ten Department employees with FLAIR access privileges who separated from Department employment during the period July 2012 through December 2013.
- 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.

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.

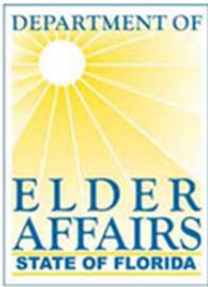


David W. Martin, CPA
Auditor General

MANAGEMENT’S RESPONSES

In response letters dated February 25, 2015, the Secretary of the Department and the State Long-Term Care Ombudsman provided responses to our audit findings and recommendations. The response letters are included as **EXHIBIT A**.

EXHIBIT A
MANAGEMENT'S RESPONSES



RICK SCOTT
GOVERNOR

February 25, 2015

David W. Martin, Auditor General
Office of the Auditor General
Claude Pepper Building
111 West Madison Street
Tallahassee, Florida 32399-1450

Dear Mr. Martin:

Pursuant to Section 11.45(4)(d), Florida Statutes, this is our response to your report, *Department of Elder Affairs – State Long-Term Care Ombudsman Program and Selected Administrative Activities*. Our attached response to the Department's recommendations corresponds with the order of your findings and recommendations.

SAMUEL P. VERGHESE
SECRETARY

As the State Unit on Aging, the Department's responsibilities toward the LTCOP under the Older Americans Act, consists of creating and maintaining the environment in which the program operates. It is also the Department's responsibility to ensure the program's independence. As such, the State Ombudsman will submit their response to the recommendations that are directly related to the State Long-Term Care Ombudsman Program (LTCOP) separately. However, in our response, we did include the LTCOP findings and recommendations that will be implemented by the Department's information systems group.

If further information is needed concerning our response, please contact Taroub King, Inspector General or Tabitha McNulty, Audit Director, at 414-2000.

Sincerely,

Samuel P. Verghese,
Secretary

4040 ESPLANADE WAY
TALLAHASSEE, FLORIDA
32399-7000

SV/tam

phone 850-414-2000
fax 850-414-2004
TDD 850-414-2001

Attachment

EXHIBIT A (CONTINUED)
MANAGEMENT'S RESPONSES

Department of Elder Affairs
Response to *Department of Elder Affairs –*
State Long-Term Care Ombudsman Program and Selected Administrative Activities

Finding No. 4: LTCOP System Access Controls

Controls over access to the LTCOP system need improvement.

Recommendation:

We recommend that Department management establish policies and procedures providing for:

- The appropriate separation of incompatible IT functions and duties;
- User account management, including specific procedures for requesting, approving, assigning, and removing LTCOP system user accounts; and
- Periodic reviews of the appropriateness of LTCOP system user access privileges.

We also recommend that Department management ensure that LTCOP system access privileges are timely deactivated upon an employee's separation from Department employment.

Response:

We agree with this recommendation. The Department is in the process of implementing an electronic On-boarding and Off-boarding system that includes workflow to establish approving, assigning, and removing personnel from data systems within the Department.

Finding No. 5: Change Management Controls

LTCOP system change management controls for the LTCOP system need improvement.

Recommendation:

We recommend that Department management continue efforts to establish a change management process for modifications to Department IT resources. The process should ensure that program changes are appropriately authorized before and approved after the changes are made, user acceptance is documented, and change management duties are appropriately separated.

Response:

We agree with this recommendation. The Department is implementing an electronic change management system. The system design will document all changes requested, authorized, and completed. The system is expected to be operational by July 1, 2015. Additionally, the system will establish separation of duties between developers and database administrators and will provide electronic verification of transactions between these parties.

EXHIBIT A (CONTINUED)
MANAGEMENT'S RESPONSES

Finding No. 6: LTCOP System Data Processing Controls

LTCOP system data processing controls need improvement to provide for the proper accounting for and processing of complaints received.

Recommendation:

We recommend that Department management establish procedures to identify and correct any errors that occur when complaint cases are entered into the LTCOP system. Additionally, we recommend that Department management establish error logs to document and provide explanation for all cases deleted and purged from the LTCOP system. Such logs should be periodically reviewed by management to determine the significance and nature of data errors as well as the status of any uncorrected data errors.

Response:

We partially agree with the recommendations. The LTCOP system data processing controls will be updated to provide proper accounting for and processing of complaints received. The update will include disabling the "all deletion" options and adding an "inactive file" check box to exclude these cases from files worked reports. Explanation for the reason for checking the box will be included in the text case notes. This update will avoid the need for any type of error log and will allow for consistent sequence of file numbers.

Finding No. 8: SLTCOP Travel Expenditures

Department and SLTCO controls did not always ensure that, prior to payment, travel expenditures were necessary and reasonable for the administration of the SLTCOP, sufficient documentation was available to support SLTCOP-related travel expenditures, and travel reimbursement voucher forms were correctly and timely completed, submitted, and approved.

Recommendation:

We recommend that Department management enhance review of SLTCOP travel expenditures to ensure that all required documentation is accurate, complete, timely submitted, and properly maintained in accordance with all applicable laws, rules, policies and procedures, and other guidelines.

Response:

We agree with this recommendation. The Division of Financial Administration will review all SLTCO travel for compliance with Department policy and procedure.

EXHIBIT A (CONTINUED)
MANAGEMENT'S RESPONSES

Finding No. 9: CIRTS and Network Access Controls

As similarly noted in prior reports, most recently in our report No. 2012-135, the Department did not always timely deactivate Client Information and Registration Tracking System (CIRTS) and related network access privileges upon an employee's separation from Department employment.

Recommendation:

To minimize the risk of compromising Department data and IT resources, we again recommend that Department management ensure that all IT access privileges are canceled immediately upon a user's separation from employment.

Response:

We agree with this recommendation. The Department is in the process of implementing an electronic On-boarding and Off-boarding system that includes workflow to establish approving, assigning, and removing personnel from data systems within the Department.

Finding No. 10: CIRTS Security Controls

As similarly noted in prior reports, most recently in our report No. 2012-135, certain security controls designed to protect CIRTS data and Department IT resources need improvement.

Recommendation:

We again recommend that Department management enhance security controls over CIRTS to ensure the integrity, confidentiality, and availability of CIRTS data and Department IT resources.

Response:

We agree with this recommendation. The Department is researching the most efficient and cost effective method to mitigate this issue.

Finding No. 11: Network User Authentication Controls

User authentication controls over access to the Department network need improvement.

Recommendation:

We recommend that Department management strengthen security controls over access to the Department's network to ensure the integrity, confidentiality, and availability of data and IT resources.

EXHIBIT A (CONTINUED)
MANAGEMENT'S RESPONSES

Response:

We agree with this recommendation. The authentication controls to the Department's network have been updated.

Finding No. 12: FLAIR Access Controls

Department controls over employee access to the Florida Online Accounting Information Resources Subsystem (FLAIR) need improvement.

Recommendation:

We recommend that Department management maintain documentation of the periodic reviews of FLAIR access privileges and limit such privileges to only those functions needed for the performance of the user's job duties. Additionally, we recommend that Department management ensure that FLAIR access privileges are timely deactivated upon an employee's separation from Department employment.

Response:

We agree with this recommendation. The Department enhanced their procedures to document and regularly review FLAIR access privileges to ensure that employees' responsibilities necessitate the appropriate roles. Additionally, as the Department implements its new On-boarding and Off-boarding system, the administrator for FLAIR will be included in the workflow.

Finding No. 13: Collection of Social Security Numbers

The Department had not established policies and procedures for the collection and use of social security numbers or evaluated its collection and use of social security numbers to ensure and demonstrate compliance with State law.

Recommendation:

We recommend that Department management establish written policies and procedures regarding the collection and use of individuals' SSNs and take appropriate steps to demonstrate compliance with applicable statutory requirements.

Response:

We agree with this recommendation. The Department will draft written policies and procedures to ensure compliance with statutory requirements for the collection and use of individuals' SSNs. These policies and procedures will be finalized by August 2015.

EXHIBIT A (CONTINUED)
MANAGEMENT'S RESPONSES



Leigh A. Davis
State Ombudsman

February 25, 2015

David W. Martin, Auditor General
Office of the Auditor General
Claude Pepper Building
111 West Madison Street
Tallahassee, Florida 32399-1450

Dear Mr. Martin:

Pursuant to Section 11.45(4)(d), Florida Statutes, this is our response to your report, *Department of Elder Affairs – State Long-Term Care Ombudsman Program and Selected Administrative Activities*. Our attached response corresponds with the order of your findings and recommendations.

Please note that the Department will submit their responses to the recommendations separately.

If further information is needed concerning our response, please contact Taroub King, Inspector General or Tabitha McNulty, Audit Director, at 414-2000.

Sincerely,



Leigh Davis,
State Ombudsman

LD/tam

Attachment

Samuel P. Vergheze
Secretary, Florida Department of Elder Affairs

EXHIBIT A (CONTINUED)
MANAGEMENT'S RESPONSES

February 25, 2015

Page 2

State Long-Term Care Ombudsman
Response to *Department of Elder Affairs –*
State Long-Term Care Ombudsman Program and Selected Administrative Activities

Finding No. 1: Complaint Investigation Records

The Office of the State Long-Term Care Ombudsman (SLTCO) did not always document that complaint investigations were conducted in accordance with Department rules and SLTCOP policies and procedures and that information recorded in the LTCOP (Long-Term Care Ombudsman Program) system was accurate.

Recommendation:

We recommend that SLTCO management ensure that sufficient documentation is maintained to support the conduct of complaint investigations in accordance with Department rules and SLTCOP policies and procedures and that SLTCO management ensure that case information is accurately recorded in the LTCOP system. We also recommend that SLTCO management amend the Case Investigation QA Checklist to incorporate a field to denote verification of the ombudsman's conduct of an exit interview with the facility administrator and to demonstrate that the case investigation form and documentation was submitted to the District Ombudsman Manager within 14 calendar days of the exit interview.

Response:

We agree with these recommendations. SLTCO is currently working on updating the *Operations Manual* with a Quality Assurance review. These updates will include the District Ombudsman Manager reviewing all assessments and case investigations. Additionally, the Regional Ombudsman Manager will review between 25-40 percent of the cases for quality assurance in both the electronic file and database entries. Lastly, the QA Checklist will be updated to follow the new procedure.

Finding No. 2: Timeliness of Complaint Investigations

Our analysis of data recorded in the LTCOP system indicated that the SLTCO did not always timely record, initiate, review, and close complaint cases.

Recommendation:

We recommend that SLTCO management establish standards for the timely entry of cases into the LTCOP system and for the timely performance of case reviews. We also recommend that SLTCO management establish monitoring policies and procedures to ensure that complaint cases are timely entered in the LTCOP system, timely initiated, and timely reviewed. Additionally, SLTCO management should ensure that District Ombudsman Managers appropriately monitor the status of open cases nearing the 90-day case closure deadline as required by established SLTCOP policies and procedures.

EXHIBIT A (CONTINUED)
MANAGEMENT'S RESPONSES

February 25, 2015

Page 3

Response:

We agree with these recommendations. SLTCO is currently working on creating monitoring procedures for the timely entry of cases into the system. These updates will include the District Ombudsman Managers and the Regional Ombudsman Managers will review system data for cases to ensure that they meet both the case initiation and closing time frames as required.

Finding No. 3: Ombudsmen Certification

SLTCO management did not always ensure that ombudsmen were subject to level 2 background screenings and completed required training.

Recommendation:

We recommend that SLTCO management ensure that ombudsmen are subject to background screenings and receive training in accordance with established policies and procedures.

Response:

We agree with this recommendation and implemented new procedures in January 2015. To ensure compliance, the Membership/Volunteer Coordinator verifies that each applicant has completed a Level 2 background check. Once received, along with membership paperwork and approved by the State Ombudsman, a letter is sent to the applicant that they are now approved to begin training. The same letter is also sent to the District Ombudsman Manager.

A monthly review will be conducted by the Membership Coordinator for review and identification of volunteers needing a renewal of background check. Volunteers are rescreened at five years of service pursuant to Section 430.0402(6), Florida Statute.

Finding No. 6: LTCOP System Data Processing Controls

LTCOP system data processing controls need improvement to provide for the proper accounting for and processing of complaints received.

Recommendation:

We recommend that Department management establish procedures to identify and correct any errors that occur when complaint cases are entered into the LTCOP system. Additionally, we recommend that Department management establish error logs to document and provide explanation for all cases deleted and purged from the LTCOP system. Such logs should be periodically reviewed by management to determine the significance and nature of data errors as well as the status of any uncorrected data errors.

EXHIBIT A (CONTINUED)
MANAGEMENT'S RESPONSES

February 25, 2015

Page 4

Response:

We partially agree with this recommendation. The LTCOP system data processing controls will be updated to provide proper accounting for and processing of complaints received. The update will include disabling the “all deletion” option and adding an “inactive file” check box to exclude these cases from files worked reports. Explanation for the reason for checking the box will be included in the text case notes. This update will avoid the need for any type of error log and will allow for consistent sequence of file numbers.

Finding No. 7: Quarterly and Annual Reports

SLTCO management did not ensure that all required quarterly reports were prepared and published, or that all required information was accurately included in the quarterly and annual reports and adequately supported by SLTCOP records.

Recommendation:

We recommend that SLTCO management implement policies and procedures to ensure the timely and proper preparation of required reports. Such policies and procedures should address report preparation and review and provide guidance on how to accurately collect, analyze, compile, and report SLTCO activities in accordance with State law.

Response:

We agree with this recommendation. The SLTCO management implemented new protocol in April 2014. This protocol is being added to the *LTCOP Operations Manual* under the title “Publicity/Media.”