



Purpose of this project:

To review general controls related to a variety of policy and regulatory requirements at select county health departments (CHD) as a means of providing local CHD management assistance in identifying individual areas of weakness and providing Central Office management with information that identifies systemic and critical weaknesses/deficiencies that should be addressed from a comprehensive perspective.

What we reviewed:

We visited 22 CHDs during the months of March 2015 through May 2015 to analyze selected controls as of the date of our site visit. Our visits included the CHDs in the following counties: Alachua, Calhoun, Citrus, Collier, Dixie, Gilchrist, Duval, Gulf, Hardee, Hernando, Lee, Leon, Levy, Liberty, Manatee, Monroe, Osceola, Sarasota, St. Johns, Sumter, Taylor, and Washington.

Included in this review were general controls and requirements related to the following topics: information technology (IT) security awareness, data systems access, cash, pharmaceuticals, security of Safety Paper in Vital Statistics offices, client incentives, inventory, records/documents destruction, environmental health fees, security safety, and vehicles.

Intent of this report:

We presented findings in this report as summary information and contain only the issues that occurred with high frequency or were considered critical despite an infrequency of occurrence. Details regarding the results of each visit (including minor issues not presented in this report) were provided to the respective CHD management both through discussion at the end of each visit and later documented via a Confirmation Letter. We did not request a formal corrective action plan from CHD management following our visits.

The intent of this summary report is to apprise Central Office management of the more prevalent issues discovered during our review. It is hoped Central Office management will use this report to clarify policy where needed and to initiate discussion of these issues with all CHD staff in an effort to invoke improvements and ensure consistency in operations throughout the Department of Health (Department).

ISSUES AND RECOMMENDATIONS

The following issues reflect areas that should be addressed by Central Office management to assist CHDs with improving controls, achieving more uniform compliance with Department policies and procedures and/or state regulations, and reducing risks that could have a negative impact on Department operations. Further, management of all 67 CHDs should assess the following weaknesses and determine for their own CHD whether appropriate controls are in place.

1. Various general controls were found to be deficient or non-existent within the 22 CHDs visited.**SECURED AREA CONTROLS AND IT SECURITY AWARENESS**

- **Seven CHDs visited did not maintain a documented list of persons authorized to access the server room(s).** DOHP 50-10e-10, *Information Security and Privacy Policy 6, Secured Areas and Physical Security Procedures*, explains that as a secured area, access must be “limited to a documented list of authorized personnel.”
- **CHD management at 18 CHDs visited did not routinely review access rights of their employees to various systems to ensure all authorizations are current and appropriate.** DOHP 50-10c-10, *Information Security and Privacy Policy 4, Acceptable Use and Confidentiality Agreement*, explains, “[m]embers of the workforce will be given a user account to access DOH information technology resources. This access will be based on the documented need as provided by the appropriate hiring authority.”
- We reviewed access rights to the Bureau of Women, Infants and Children’s (WIC) *Florida WIC Information System and EBT* (FL WiSE) system; the *Florida Accounting Information Resource* (FLAIR); and where there was one, a local critical system at the CHD. This was usually Eaglesoft, the dental practice management solution. **Eight CHDs visited had inappropriate or unauthorized access to at least one of these systems.** DOHP 50-10n-10, *Information Security and Privacy Policy 15, Information Resource Management Security*, requires that the system administrator, “deactivate a worker’s account for the following reasons: termination of employment or contract; nonuse of an account for 60 consecutive days; or, notification of security violation, by management direction. Accounts must be deleted 60 days after termination of employment.”

CASH CONTROLS

- **Five CHDs visited did not ensure all cash boxes/drawers were sufficiently secured.** Instances we identified included unlocked cash drawers, keys stored in the cash drawer by the cashiers, and storing cash boxes in unsecured areas. DOHP-57-07-15, *Cash Handling*, explains that during the day cashiers must “[m]aintain cash boxes/drawers in a secure area at all times and locked when left unattended.”
- **Individuals assigned cash drawers at four CHDs visited did not have their own secure cash drawer or locked cash bag.** DOHP-57-01-15, *Cash Handling*, prohibits multiple cashiers from working in the same cash drawer at the same time.”
- **Management at 13 CHDs visited had not changed the combination to the safe when staff with access to those devices left the CHD or changed roles where they no longer needed access.** DOHP 56-14-13, *Internal Control and Review*, requires that, “[s]afe combinations must be reviewed and changed when staff members who have safe access leave or change duties.”
- **More than just a limited number of staff knew the combination to the safe where cash/checks were stored at seven CHDs visited.** DOHP 57-01-15, *Cash Handling*, advises that a strong system of internal accounting controls includes, “[restricted] access to receipts and secured fire-resistant storage.
- A panic button was available to cashiers at nine of the CHDs we visited. However, **for six CHDs where there was a panic button, it was not periodically tested.** Further, for **three of the seven CHDs visited where our audit staff tested whether the panic button worked and the response time was appropriate, the test failed.**

PHARMACEUTICALS IN DRUG CLOSETS

- **Nine of the CHDs visited did not have a sufficient process for receiving pharmaceuticals into the CHD and delivery into the drug closet.** Generally, the CHDs assigned only one person to open and inventory the shipment upon receiving it. DOHP 395-1-12, *Public Health Pharmacy Policies and Procedures for County Health Departments*, requires that “[u]pon receiving drugs from the Central Pharmacy, or from an order placed with Central Pharmacy but shipped by the wholesaler or manufacturer, CHD personnel should compare the [Department of Health] shipping list with the products and quantities received. At a minimum, two personnel will verify the shipment and certify their receipt.”
- **Eight of the CHDs visited did not ensure pharmaceutical storage areas were secure.** DOHP 395-1-12, *Public Health Pharmacy Policies and Procedures for County Health Departments*, advises that “[d]rug storage areas must remain secured at all times when not in use (Section 499.0121 (1-3), [*Florida Statutes*]).”
- **Five CHDs visited did not maintain a documented list of persons authorized to have access to drug storage areas.** DOHP 395-1-12, *Public Health Pharmacy Policies and Procedures for County Health Departments*, requires “...names of all individuals permitted access to the drug storage area will be documented on a CHD memorandum of record, authorized by the CHD Administrator/Director. This memorandum will be updated as necessary and must be maintained in the official records of the CHD.”
- **The appropriateness of some authorized persons with access to pharmaceutical storage areas was questionable at five CHDs visited.** DOHP 395-1-12, *Public Health Pharmacy Policies and Procedures for County Health Departments* requires that “[a]ccess to the drug storage areas must be restricted to personnel authorized to handle drugs or by an authorized city, county, state or federal employee operating within the scope of his/her duties.”
- **Five CHDs visited included expired pharmaceuticals in the drug storage area that were still available for dispensing to clients.** DOHP 395-1-12, *Public Health Pharmacy Policies and Procedures for County Health Departments*, requires that “[e]xpiration dates for pharmaceuticals will be checked in CHDs without a licensed pharmacy at least monthly. All outdated products will be removed and segregated from regular stock and placed in the appropriate designated quarantine area.”
- **Eight CHDs visited could not document they routinely conducted a monthly and quarterly physical count of pharmaceutical inventory.** DOHP 395-1-12, *Public Health Pharmacy Policies and Procedures for County Health Departments*, requires that CHD sites without a licensed pharmacy must, “use a monthly inventory to establish the quantity of drug products to be ordered from the Central Pharmacy, the wholesale distributor or drug manufacturers.” To monitor for diversion of non-controlled substance or “program” medications, “the CHD Business Manager and physician...or designee will conduct quarterly inventories of selected medication to compare and reconcile with physician or nurse issuance inventory and dispensing/administration records.”

CLIENT INCENTIVES/PROMOTIONAL ITEMS

- **Seven of the 12 CHDs visited where client incentives (i.e. gift cards) were on hand did not perform independent reconciliations between the logs and the incentive inventory.** DOHP 56-89-14, *Client Incentives and Promotional Items*, was recently updated to require that “[t]he program and business managers, their designees, or another employee who is independent from the receipt or distribution process for gift cards must complete a reconciliation of all client-incentive gift cards within their program and CHD, at a minimum quarterly. The program and business managers must sign and date the reconciliation and retain the signed copy for audit purposes.”

INVENTORY OF PROPERTY AND IT ASSETS

- CHDs did not accurately record all IT assets in the *Asset Manager System (AMS)*. DOHP 250-11-15, *Management of State Property*, requires that “[a]ll county-owned IT assets must appear in the Property Management System [*Asset Manager*] regardless of value, and have a unique [Department]-approved identification property tag or decal on the property.”
 - **Eleven of the CHDs visited had old IT assets that no longer exist still recorded in AMS.**
 - **Twelve of the CHDs visited had not updated AMS to include IT assets currently owned and used.**

We recommend management from the Office of Deputy Secretary for County Health Systems discuss these deficiencies and areas of concern with all CHDs in an effort to improve operations statewide.

SUPPLEMENTAL INFORMATION

Section 20.055, *Florida Statutes*, charges the Department’s Office of Inspector General with responsibility to provide a central point for coordination of activities that promote accountability, integrity, and efficiency in government.

The review team leader was Mark H. Boehmer, CPA, and the review was supervised by Michael J. Bennett, CIA, Director of Auditing. Michelle L. Weaver, CISA, also participated in this review.

Our methodology included reviewing applicable law, policies and procedures, and visiting selected CHDs to interview personnel, inspect facilities, observe operations, and review documentation.

This project was not an audit, as industry-established auditing standards were not applied. Internal Audit Unit procedures for the performance of reviews were followed and used during this project.

We want to thank management and staff of each of the CHDs visited for providing their cooperation and assistance to us during the course of this review.

CONTACT INFORMATION

Copies of final reports are available on our website at: www.floridahealth.gov
(Search: internal audit)

If you have questions or comments related to the information provided in this report, please contact the Director of Auditing, Florida Department of Health by the following means:

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APPENDIX A: MANAGEMENT RESPONSE

	Recommendation	Management Response
1	<p>We recommend management from the Office of Deputy Secretary for County Health Systems discuss these deficiencies and areas of concern with all CHDs in an effort to improve operations statewide.</p>	<p>We concur.</p> <p>The Office of Deputy Secretary for County Health Systems will review the deficiencies and areas of concern with all CHDs. We will distribute the published report to all Health Officers and CHD Business Managers. Discussions will occur at each CHD Health Officer Consortia meeting and at each Regional Business Managers meeting.</p> <p><i>Contact:</i> Beth A. Paterniti, Statewide Services Administrator Office of Deputy Secretary for County Health Systems</p> <p>Completed.</p>