



FLORIDA DEPARTMENT OF HEALTH  
OFFICE OF INSPECTOR GENERAL

AUDIT OF STATEWIDE DOH PERSONNEL AND HUMAN  
RESOURCE OPERATIONS

Report # A-1314DOH-011 • October 10, 2014

**Purpose of this project:**

To review compliance with select controls related to various policies, procedures and regulatory requirements of human resource operations within the Department of Health (DOH or Department) and to identify systemic areas of weakness to assist the Bureau of Personnel and Human Resource Management (Bureau) in addressing these matters from a statewide perspective.

**What we reviewed:**

We visited 11 self-administering DOH Human Resource (HR) offices and consortia and surveyed all 26 DOH HR offices/consortia to analyze selected controls during our audit time-frame. Our site visits included the Alachua Consortia, Central Consortia, DOH-Brevard, DOH-Escambia, DOH-Glades, DOH-Hendry, DOH-Indian River, DOH-Lake, DOH-Pinellas, DOH-St. Lucie, and DOH-Volusia.

Included in this audit were reviews of general controls and requirements related to the following topics: background screening, drug screening, Family Medical Leave Act/Florida Supportive Work Program, controls over personnel file management, manual leave and attendance audits, missing timesheets, financial disclosure requirements, and personnel related cash controls.

**Intent of this report:**

Findings listed in this report are presented 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 self-administering HR offices/consortia management both through discussion at the end of each visit and later documented via a Confirmation Letter.

## ISSUES AND RECOMMENDATIONS

**Satisfactory Aspects:**

In general, DOH human resource management controls are working as intended. The following areas of our audit were found to be satisfactory and without any notable area of concern:

- Our review of 11 self-administering HR offices/consortia found good security controls over personnel files.
- We found no significant issues related to controls over labor relations files.
- During our audit timeframe, timesheets were found to be submitted on a timely basis.

**Areas of Concern:**

The following issues reflect areas that should be addressed by management to assist self-administering HR offices/consortia 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.

**1. DOH lacks comprehensive and clear guidance on personnel file management.**

- The *Personnel Liaison Handbook* explains the self-administering HR offices/consortia will, "**Maintain official personnel and medical files, classification files and current tables of organization, attendance and leave files, background screening, and labor relations files.**" It further states; "**Provide notification of missing documents or incomplete personnel files and ensure documents are received.**"
- DOHP 60-9-13 *Drug-Free Workplace* requires the self-administering HR offices/consortia to **file drug-screening results and drug screening requests in the employee's confidential medical file.**

- Based upon survey results, we determined **a wide variety of methods exist among the 26 self-administering HR offices/consortia regarding their filing systems for maintaining required personnel-related documentation.** Generally, respondents did indicate separate files are maintained for personnel, background, and medical information in secure locations. However, how those files were organized varied greatly.
- Through judgmental sampling, **we tested medical and personnel files statewide** to determine the level of compliance with maintaining required documentation. Our testing revealed the following results:

Document Sampled	# of Files Tested	# of Errors *	Error Rate %
<b>Proof of Selective Service Registration</b>	<b>13</b>	<b>5</b>	<b>38.5%</b>
<b>E-Verify Case Verification Form</b>	<b>148</b>	<b>33</b>	<b>22.3%</b>
<b>Drug Screening Consent Form</b>	<b>343</b>	<b>56</b>	<b>16.4%</b>
<b>Reference Check Documentation</b>	<b>350</b>	<b>56</b>	<b>16.0%</b>
<b>FRS New Employee Certification Form</b>	<b>237</b>	<b>32</b>	<b>13.5%</b>
<b>Drug Screening Results</b>	<b>343</b>	<b>42</b>	<b>12.3%</b>
<b>Signed and Notarized Oath of Loyalty</b>	<b>351</b>	<b>36</b>	<b>10.3%</b>
<b>Copy of Social Security Card</b>	<b>351</b>	<b>17</b>	<b>4.8%</b>
<b>Employee Acknowledgment Form</b>	<b>293</b>	<b>9</b>	<b>3.1%</b>
<b>State of Florida Employment Application</b>	<b>351</b>	<b>9</b>	<b>2.6%</b>
<b>Form I-9</b>	<b>347</b>	<b>6</b>	<b>1.7%</b>

\* Error = document not found in file during testing

- **The Bureau developed a *Personnel Documents – File Audit* checklist to be used by Central consortia for evaluating compliance with maintaining required personnel documents.** However, it was shared, but not required, for use by other self-administering HR offices/consortia.
- Testing revealed **64% of 11 self-administering HR offices/consortia we visited were not using the *Personnel Documents - File Audit* checklist.**
- **The combination of not having HR file management standards for all HR self-administering offices/consortia and not having a standard for file reviews most likely contributed to the error rates we noted during testing.**

**WE RECOMMEND** the Bureau of Personnel and Human Resource Management in conjunction with the self-administering HR offices/consortia develop Department-wide personnel file management standards and require all HR offices/consortia adhere to these standards.

**WE FURTHER RECOMMEND** personnel file management standards include a requirement for self-administering HR offices/consortia to conduct periodic personnel, medical and background file audits to help ensure all personnel-related documentation is maintained accordingly.

**2. DOHP 60-3-13 Attendance and Leave does not include documentation standards for leave audits.**

- Leave audits are performed as a means to ensure proper payouts are provided to an employee upon separation from the Department.
- The ***Leave Audit Manual*** provided to us by the Bureau **states** the following:
  - **“Each (leave) audit will need to be printed and signed** at the bottom by the person who conducted the leave audit.
    - If the audit completed is due to the employee separating, the **leave audit will need to be placed in the leave file** and held up until 31 days to process the leave payout.
    - If the audit completed was due to a request, **place a copy of the leave audit** into the leave file and email a copy to the requestor and employee.”
- The ***Leave Audit Manual* is only applicable to Central consortia.**
- Our review of a sample of 21 separated employees statewide found the following:

- One self-administering HR office/consortia provided leave audit documentation supporting the audits were performed in an **electronic format and were not physically signed or dated.**
  - One self-administering HR office/consortia sampled maintained a hard copy leave audit **on file without a physical signature or date.**
  - Two self-administering HR offices/consortia sampled provided at least one hard copy of a leave audit that was physically **signed and dated only after an OIG request** for documentation on June 27, 2014.
- **DOHP 60-3-13 Attendance and Leave, which is applicable statewide, does not specifically address the physical printing, sign-off and filing requirements of leave audits.**
- **The lack of standards in DOHP 60-3-13 regarding evidencing leave audit validation for offices/consortia other than Central consortia may contribute to a potential fiscal risk of incorrect leave payouts when an employee separates from DOH.**

**WE RECOMMEND** updating DOHP 60-3-13 *Attendance and Leave* to include documentation standards for leave audits.

### 3. **DOH policy related to pay and salary actions do not reference specific requirements of DOH cash handling policies.**

- **DOHP 60-37-14 Pay and Salary Actions address how department staff administers salary overpayments.** The Bureau has also put in place a **desk manual to assist staff in processing state payroll.**
- **DOHP 57-07-13, Cash Handling provides overall department guidelines** for receipt, handling and processing of cash, check and credit payments.
- During our 11 field visits and surveys of 26 self-administering HR offices/consortia, **we asked the question: “How do you handle any employee payments for HR related transactions?”** Overall responses can be categorized as follows:
- **Some self-administering HR offices/consortia do not take receipt of employee related payments unless it is to be forwarded to People First** on behalf of the employee.
  - **One self-administering HR office/consortia does not take receipt of any payments and refers employees to the county health department business office.**
  - **One self-administering HR office/consortia uses a cash drawer** which is audited at the beginning and end of each day with a daily deposit report completed and sent to their finance and accounting unit with receipts.
  - **Some self-administering HR offices/consortia take receipt of check payments only,** log the check and route the check to their finance and accounting unit, a copy of the check is returned to HR along with deposit information for posting to FLAIR.
  - **Some self-administering HR offices/consortia also take receipt of payments for public records requests and charges for photocopying** information.

**WE RECOMMEND** specific reference be given in DOHP 60-37-14 *Pay and Salary Actions* requiring HR employees use DOHP 57-07-13, *Cash Handling* when handling non-pay and salary related cash/check/credit transactions.

### 4. **Economic and efficiency benefits could be realized with increased sharing of background screening results for current and potential DOH employees licensed by the Division of Medical Quality Assurance.**

- DOHP 60-5-13, *Background Screening, Sharing Background Screening Information* explains, " **Criminal history is confidential and DOH staff can only share it with the person screened and other DOH employees (not contract staff) responsible for determining employment eligibility.**"
- **Currently, the Division of Medical Quality Assurance (MQA) does not routinely share background screening and rescreening results** for current and potential DOH employees with various DOH self-administering HR offices/consortia.
- **Sharing of this information would allow for potential cost reductions (less need for duplicative background screenings/rescreenings) and more timely information to be used for determining employment eligibility.**

**WE RECOMMEND** the Bureau, in coordination with the self-administering HR offices/consortia and MQA, make efforts to explore the feasibility of obtaining background screening/rescreening results of MQA licensed individuals when determining DOH employment eligibility.

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## SUPPLEMENTAL INFORMATION

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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 audit team leader was Tony Hernandez, CISA, CIA, and the review was supervised by Michael J. Bennett, CIA, Director of Auditing. Other auditors participating on the team for this audit included Kim Rolfe, CGAP and Mark Boehmer, CPA.

Our methodology included reviewing applicable law, policies and procedures; surveying; visiting selected self-administering human resource offices and consortia to interview personnel; observe operations and review documentation.

This audit was conducted in conformance with *International Standards for the Professional Practice of Internal Auditing*, issued by the Institute of Internal Auditors, as provided by Section 20.055(5)(a), *Florida Statutes*, and as recommended by Quality Standards for Audits by Offices of Inspector General (*Principles and Standards for Offices of Inspectors General*, Association of Inspectors General).

We want to thank management and staff of each of the self-administering HR offices/consortia surveyed and visited for providing their cooperation and assistance to us during the course of this audit.

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## CONTACT INFORMATION

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Copies of final reports may be found on our website at:

<http://www.floridahealth.gov/public-health-in-your-life/administrative-functions/inspector-general/internal-audit.html>

Questions or comments related to the information provided in this report should be addressed to the Director of Auditing, Florida Department of Health by the following means:

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Tallahassee, FL 32399

**Email:** [inspectorgeneral@flhealth.gov](mailto:inspectorgeneral@flhealth.gov)

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## APPENDIX A: MANAGEMENT RESPONSE

	Recommendation	Management Response
1.1	The Bureau of Personnel and Human Resource Management (Bureau) should, in conjunction with the self-administering HR offices/consortia, develop Department-wide personnel file management standards and require all HR offices/consortia adhere to these standards.	<p>We concur.</p> <p>The Bureau has developed a web page for personnel records that will describe required and acceptable items. This information will also be shared with the servicing Human Resource (HR) offices for input.</p> <p><i>Contact:</i> Penny Zoda <i>Anticipated Completion Date:</i> Completed</p>
1.2	Personnel file management standards should include a requirement for self-administering HR offices/consortia to conduct periodic personnel, medical and background file audits to help ensure all personnel-related documentation is maintained accordingly.	<p>We concur.</p> <p>A checklist of required documents will be included in an update to DOHP 60-21-13, <i>Recruitment and Selection</i>.</p> <p><i>Contact:</i> Penny Zoda <i>Anticipated Completion Date:</i> December 31, 2014</p>
2	Updating DOHP 60-3-13, <i>Attendance and Leave</i> , should include documentation standards for leave audits.	<p>We concur.</p> <p>DOHP 60-3-13, <i>Attendance and Leave</i>, will be updated to include a link to the desk manual on how to conduct leave audits.</p> <p><i>Contact:</i> Penny Zoda <i>Anticipated Completion Date:</i> December 31, 2014</p>
3	Specific reference should be given in DOHP 60-37-14, <i>Pay and Salary Actions</i> , requiring HR employees use DOHP 57-07-13, <i>Cash Handling</i> , when handling non-pay and salary related cash/check/credit transactions.	<p>We concur.</p> <p>DOHP 60-37-14, <i>Pay and Salary Actions</i>, will be updated to reflect a reference to DOHP 57-07-13, <i>Cash Handling</i>.</p> <p><i>Contact:</i> Penny Zoda <i>Anticipated Completion Date:</i> December 31, 2014</p>
4	The Bureau of Personnel and Human Resource Management, in coordination with the self-administering HR offices/consortia and MQA, should make efforts to explore the feasibility of obtaining background screening/rescreening results of MQA licensed individuals when determining DOH employment eligibility.	<p>We concur.</p> <p>We have explored the feasibility of obtaining results from MQA when determining DOH employment eligibility and found that it is not feasible. The Florida Department of Law Enforcement has indicated that sharing is allowed only if the criminal history records check is conducted for the same purpose (statutory reference). MQA conducts background screenings for licensure purposes and HR conducts background screening for pre-employment.</p> <p><i>Contact:</i> Stephanie Harris <i>Anticipated Completion Date:</i> Completed</p>